Kids Co.'s mission is to provide and advocate for quality childcare that enriches and nurtures all children, supporting their success in school and in life.
Last year, Kids Co.’s management team began leadership development work to help us identify individual strengths. We launched into this work to discover and affirm what each one of us is naturally good at and to explore ways in which our inherent gifts might work together for the betterment of the children and families in our care.

Curiously, one of the strengths is named “woo.”

Now “woo” is a fascinating strength to embody. To be gifted in “woo” is to excel in the art of relationship. People strong in it—and there are many with this strength at Kids Co.—live in a world in which there are no strangers, only future friends.

As a strength, “woo” designates an open and receptive disposition toward relationship. As a verb, it calls to mind the action of attraction. “Woo” is a word we associate with the people and things that captivate our imaginations the most.

These days we are learning a great deal about the importance of play to creativity, health, and critical thinking, and as a result we are seeing more fully play’s inextricable relationship with the experience of wonder. If play gets us moving, it is wonder that get us to moving beyond ourselves into new friendships (“I wonder who she is?”), new experiences (“I wonder how to ride a bike?”), and new possibilities (“I wonder if I can…?”). Wonder teaches us to hear and listen to the important questions within.

“The Woo of Wonder,” the theme of this annual report, is all about the power of wonder to “woo” us into seeing the potency of our lives. The three stories here reveal the life-changing, life-giving power of wonderment in childcare.

In FY’11, 1,400 children were cared for by Kids Co. staff and the organization added two more centers, bringing Kids Co. up to 10 centers total, a growth of 33 percent in a year and a half.

It was wonder that moved me to ask back in 1989 if there wasn’t a better way for us to do childcare, a way that ensured that all families received the care that they need for their kids regardless of income. And it is wonder that continues to move me to ask questions about how we might serve our children, families, and community even more potently than we are.

Wishing you never-ending wonder,

Susan R. Brown, President and CEO
Observing their relaxed ease together, it is difficult to imagine that anything bad has ever happened to Jenny and Diego. However, bad would be understating the dark blows that have shaped their little family of two. Life-shattering more accurately describes the events they experienced and are still overcoming.

Their story began when Jenny and her life mate, Les, discovered they were expecting the little boy they would name Diego. They were over the moon about his impending arrival and were ready to start a family together. On a June day one month later, Les was diagnosed with acute myelogenous leukemia (AML).

It was 2007. Les was 28 and Jenny was 25 and three months pregnant with Diego.

The odds of beating AML are never good and immediate treatment is absolutely necessary for hope of survival. With the heart of a man with a lot to live for, Les pursued every option—chemotherapy, self-transplant, radiation—and was placed on a national donor list after learning that his brother was not a match. During this time, Jenny would go to work, come home and get a change of clothes, and head to the hospital where she would spend her nights with the love of her life, Les. It was a difficult time, one they would endure together.

Eventually, they got a break. Les went into remission and on January 19, 2008 was able to be present when Diego was born. It was a “cloud nine” day for the couple, and for the next three months their lives moved along with a nice hum.

Then another blow hit: the company Jenny worked for laid her off the very day she returned to work from maternity leave. This event was followed by a bone marrow transplant that did not go well for Les. Once again, their lives were on a roiling ocean, hard events were followed by hopeful events giving away to more blows. Jenny landed a new job at the Fred Hutchinson Cancer Research Center; Les was placed on a breathing machine for the entire month of August.

The dramatic ups and downs were terrible to ride, but Jenny and Les hung on, and on December 31st, 2008 they married. Les walked down the aisle on his own accord. They had weathered the storm and were finally heading into calmer waters.

But they never made it. On March 2, 2009, Les took his last breath. He was 30, Jenny was 27, and little Diego was 14-months old.

One would hope that Jenny’s heartache and challenge would end here, but they did not. A family member’s illness ended the care she had arranged for Diego. Funds were very tight and childcare for a 2 ½ year-old is costly. She turned to DSHS and the City of Seattle for help, but barely making ends meet did not qualify her for assistance. She was deep in grief, raising a son on her own, and was cash strapped.

“Would anyone help her?” Jenny wondered.

Her inquiries brought her to Kids Co. where Diego was awarded a scholarship to enroll in preschool. “Kids Co. saved us,” Jenny will tell you without hesitation. “I wanted Diego to have structure, which can be difficult for a single mom to provide, especially one in grief.” Diego’s favorite teacher is Marion, a particularly gifted teacher who teaches children how to be present to and manage their complex emotions. For a little boy and mom who have lost so much, Marion’s coaching is a gift and Kids Co.’s scholarship marks the turn of a new chapter.

**Marion’s Steps to Calming Your Body:**

1. **Stop**
2. **Take two or three big breaths**
3. **Name your feeling**

*Marion is Diego’s favorite teacher at Kids Co.*
It all started in the summer of 2007 and with the dad of a young boy named Ezra who had outgrown his bike. The boy was the son of Kids Co. at South Shore program manager, John Benner, an avid cyclist who commuted to work by bike. It was John’s first summer at Kids Co. and he had just launched “wheel day,” a day kids could bring their bikes and scooters to Kids Co. and take them for a spin on the playground.

However, not all of the children had bikes and many of them did not know how to ride. “Why don’t we get bikes and teach them?” thought John. So with Ezra’s limbs having grown too long for his bike, John claimed his son’s bike for Kids Co. To it, he added another, one advertised on Craigslist for free, and two helmets.

With these two bikes, the bike armada was officially launched. It was a colossal hit and new possibilities immediately began to emerge as the bikes and helmets started multiplying. By the end of that first summer, through donations and purchases of used bikes, the armada had grown to 13 bikes and three kids had learned how to ride two-wheelers safely.

Personal responsibility and safety are strongly emphasized. A fan of the Cascade Bicycle Club, John approached the club to see what resources were available to help kids learn healthy cycling habits. The response was enthusiastic and supportive. The club donated 20 helmets of various sizes (a gift made possible by an accident lawyer affiliated with the club) and arranged for a bicycle ambassador to visit. Bike Rodeo kits were also provided. The kits included mock street signs, a variety of events (e.g., a slow race event, a tight turn event), and take home materials for the kids.

The “rules of the playground road” are well known by all. Kids who violate them are given “push-up” tickets. One crash a day is permitted, but have a second crash and one loses bike privileges for the day. Kids also learn the art of peaceful turn-taking, because there are fewer bikes than kids and some bikes are more desirable than others. This is handled with each bike’s name being written in chalk on the playground blacktop. Kids sign up for the bikes they want to ride; when their turn is up, the bike is relinquished to another kid.

The wild success of the program has offered unexpected turns, for example when all of the bikes’ tires were slashed in 2008. The disappointment became an opportunity for a new curriculum track—bike repair—and the kids learned how to change and mend inner-tubes and tires, something they have done ever since.

Art, too, has become a component of the program. The 2009 dream bike mobile project gave kids opportunities to conceive and create their dream bikes through multiple media (drawing, pipe cleaners, and wire) and construct a mobile together. In 2010, an art unit transformed several bikes in the armada into scraper bikes, an art bike trend that began in Oakland, CA.

Since its launch, 21 children have learned to ride safely through this program and there are more to come. One can only wonder what lies ahead.

Heard recently during bike armada time:

Visitor: So, how do you get a turn on the bike you want to ride?

4-Year-Old: I write my name under the bike I want.

Visitor: Do you have a favorite?

4-Year-Old: Yes, but my favorite bike is home. You know how people have 10-speeds? Well, I have a 60-speed!!

Visitor: Holy cow, it must go fast!

4-Year-Old: Yes, and I added firecrackers to it so it goes even faster!
Wherever Nikki Bautista is, one will find soothing order, which is curious given her chosen profession—childcare—a profession that is predictably unpredictable. Yet, Nikki is one of those artful professionals able to create environments that help children find the sweet spot of any day between the rules of good conduct and the flurry of their impulses. This is a subject Nikki knows quite a bit about, and if you ask her colleagues, they will tell you her secret is that she understands the biology of play and how to create optimal environments for play that support healthy, happy, and resilient growth in children.

Nikki’s natural and obvious aptitude for the field took root in the beginnings of her own life. The youngest of eight children, Nikki’s father died suddenly when she was only 1 ½ years old, leaving the full burden of providing for a large family to Nikki’s mom. Funds were always tight, and her mom was often away working. Nikki and her siblings had to learn at an early age to be self-reliant and care for one another. Love was, without question, present in the home, but so was scarcity and hardship. Too often, things felt precarious and unpredictable to Nikki during these years. It is an experience that profoundly shaped her approach to childcare today.

Kids thrive and play in stable predictable environments they can count on, and draw in and become anxious when they perceive themselves to be in an environment of uncertainty; in short, they do not feel it is safe to play. Nikki knows this from her own childhood, and in her career, has worked diligently to instill practices that promote peace and stability for the children in her care. “When I first came to Kids Co. [in 2001], the staff was rewarding children with candy, which is not good for kids and does not promote a sense community,” shared Nikki. “As a result, there was a fair amount of negative behavior and chaos in the center.” So, the first thing Nikki did was get rid of the candy, a move that was not initially popular, but by the end of the year, the wisdom of her actions was obvious: behavior issues had lessened significantly.

The center space itself, she noted, was also not as conducive as it needed to be for giving children choice with regard to play, nor was it designed to support children in the variety of emotional states they experience and need to learn how to manage. She contacted Glen Osborn, a professional with School’s Out Washington, to help her evaluate the center using the tools of the Adventures in Peacemaking curriculum. A meaningful outcome of this process is the “peace place,” a spot reserved in the center for children to work out their conflicts, a place known by many as “the grandma couch.”

Steadily over the years, Nikki has integrated numerous environmental and programmatic enhancements that have been adopted and implemented at other Kids Co. centers and by childcare organizations beyond the Kids Co. system. In 2004, she was promoted to center manager and, in that capacity, supported the organization’s executive leadership in making Kids Co. at John Hay Kids Co.’s first nationally accredited center.

Her powerfully compassionate presence has made a positive mark upon Kids Co., including in the area of raising contributions to help underwrite scholarships for low-income children to enroll at Kids Co. Nikki serves on the Child Care Director’s Association of Greater Seattle board. Her wonderings about the role of childcare in the life of our community positively touch us all.

“Too often as adults we want to assert our power and control. I think we need to let go of some of our perceptions about what the adult/child relationship is supposed to be and let kids have their own voice.”

- Nikki Bautista
Kids Co. would like to thank the following people, businesses, foundations, and organizations for supporting our work in Fiscal Year 2011 (9/1/2010 to 8/31/2011).

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Bart Wilson
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Fritz Wollett
Steven Wrenn
Irene Yamamoto and Doug McLaren

**ORGANIZATIONS**
Child Care Resources
Community Day School Association
Local Independent Charities of America
Missionfish
Quota International of Kent Valley
South Shore PTSA
United Way of King County

ths!
STATEMENTS OF ACTIVITIES

August 31, 2011

Revenue and Support:
- Program Service Fees $2,082,497
- Grants and Contributions 45,869
- Miscellaneous Revenue 1,920
- Investment Income 456

Total Revenue and Support 2,130,742

Expenses:
- Program Services 1,851,983
- Management and General 229,085
- Fundraising 74,255

Total Expenses 2,155,323

Increase in Unrestricted Net Assets -24,581

Unrestricted Net Assets, Beginning of Year 620,051
Unrestricted Net Assets, End of Year $595,470

LIABILITIES AND NET ASSETS

August 31, 2011

Current Assets:
- Cash and Cash Equivalents $657,948
- Accounts Receivable, Net 51,047
- Prepaid Expenses 25,828

Total Current Assets 734,823

Property and Equipment, Net 128,400

$863,223

Current Liabilities:
- Accounts Payable & Accrued Expenses $165,487
- Refundable Deposits 41,000
- Unearned Program Fees 40,197

Total Current Liabilities 246,684

Capital Lease Obligations 21,069

Total Liabilities 267,753

Unrestricted Net Assets 595,470

$863,223

Allocation of Funds Received for Fiscal Year 2011

- Management and General 10.6%
- Current and Future Needs 85.9%
- Fundraising 3.4%
Inspire Wonder!

Kids Co. Center Locations
Ballard
Capitol Hill/Eastlake
Mercer Island (2)
Mount Baker
Queen Anne (2)
Rainier Beach
Seward Park
Wallingford

Kids Co.
2208 NW Market Street, Ste. 510
Seattle, WA 98107
206.781.8062
admin@kidscompany.org
www.kidscompany.org

The Independent Charities Seal of Excellence is awarded to the members of Independent Charities of America and Local Independent Charities of America that have, upon rigorous independent review, met the highest standards of public accountability, program effectiveness, and cost effectiveness. Of the 1,000,000 charities operating in the United States today, it is estimated that fewer than 50,000 meet or exceed these standards, and, of those, fewer than 2,000 have been awarded this Seal. Kids Co. is one.

Come play with us! Like Kids Co. on Facebook (search on Kids Co. Seattle).

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