

starlight™



2018 Annual Report





Every 30 seconds,
a child is diagnosed with
a serious illness or injury.



What's Inside?



Introduction

- A Message from Our Board Chair
- A Message from Our CEO
- Our Mission
- Our Impact

Excellence & Innovation

- Starlight Virtual Reality
- Starlight Hospital Wear
- Starlight Gaming

Caring

- Starlight Spaces
- Starlight Deliveries

Service

- Our Corporate Partners

Teamwork

- Our Donors
- Donor Spotlights

Accountability

- Our Financials
- Our Awards

Integrity

- Governance & Board of Directors
- Board Committees

A MESSAGE FROM

Dr. Cara Natterson, Board Chair



As a pediatrician, health educator, and mom, I have spent my life advocating for children. In the hospital and the office, and certainly under my own roof at home, that advocacy takes a local, one-on-one approach. But when I write and teach, the message is amplified. There is little that can compare to the feeling of impacting kids' lives in each of these different ways.

My work with Starlight is the culmination of all of these: Starlight's programs bring comfort, distraction, creativity and most of all happiness to individual kids in hospitals across the country and this, by extension, has a ripple effect on the people around them, the people who care for them, and even the larger world. It is a privilege to be part of this embodiment of advocacy.

As Starlight has grown over the past three and a half decades, its reach has never been greater. Neither has its need. Anyone who has ever spent time in a hospital knows how isolated, anxiety-provoking – even scary – the experience can feel. Starlight's impact translates into improved experiences across the board: for patients, their families, health care providers, support staff, hospitals and health systems. By leveraging technology and entertainment to deliver happiness – particularly in our two newest programs, Starlight Gowns and Starlight Virtual Reality – we focus our energies where and when seriously ill kids need them.

The landscape of health care will certainly continue to evolve, as will the needs of sick children, but Starlight will always stay true to its mission of delivering happiness. Along with everyone at Starlight, I invite you to join us on our quest to provide every seriously ill child with a chance to enjoy the experience of being a kid... because sick kids are kids, too.



A MESSAGE FROM
Adam Garone, CEO



I joined Starlight on February 1, 2019 and I'm honored to be leading the organization through this next chapter of its growth and impact.

I know first-hand the impact Starlight can have on seriously ill children and their families: in 2018, my three-year-old niece – who is the same age as my daughter – was diagnosed with brain cancer. This moment changes a family forever, the fun and joy of being a kid is suddenly replaced by fear and uncertainty.

Brain surgery was quickly followed by seven months of the most aggressive form of chemotherapy a child that age can tolerate. Thankfully, she was treated and cared for by an incredible team of doctors, nurses, and child life specialists at Rady Children's Hospital in San Diego.

Happiness is the most important aspect of a child's life, and when illness or serious injury strikes, Starlight is there to deliver all of the things that make being a kid great, from video games, toys, and virtual reality to fun, laughter, and moments of joy where kids can just be kids.

Having co-founded and led the Movember Foundation as CEO from its beginnings in 2003 in Melbourne, Australia, to become one of the most innovative and impactful foundations in the world that has raised more than \$1 billion, I know what it takes to build and transform an organization.

At Starlight, we are on a journey to make our brand a household name and to significantly grow our funding support so that we can have an even greater impact on more kids and families like mine and yours.

I thank you for your support, and I look forward to working with you to deliver more happiness to all seriously ill children across the country.





Our Mission

Delivering happiness
to seriously ill children and their families



Every 30 seconds, a child is diagnosed with a serious illness or injury. These kids are often scared, lonely, and missing out on all of the things that make being a kid great.

That's where Starlight comes in.

Starlight supports kids and families at more than 800 children's hospitals and health care facilities in the US. We provide fun, state-of-the-art programs such as Starlight Virtual Reality, Starlight Hospital Wear, and Starlight Gaming to thousands of hospitalized kids, at no cost to our hospital partners.

Since 1982, Starlight has brought smiles to over 16 million seriously ill children and their families in all 50 states and Puerto Rico. That's more than 35 years of delivering happiness to seriously ill kids – because a hospitalized kid is still a kid.

Our Impact

While doctors, nurses, and other hospital staff attend to the medical needs of kids with serious illnesses, Starlight steps in to improve the overall health of hospitalized kids by giving them a positive focus with opportunities to have fun.

Evidence shows that improving the mental and social well-being of patients can have a positive impact on their physical health. Starlight programs are carefully designed with the input of medical staff, child life professionals, and the world's top media and technology companies to ensure they entertain, distract, and inspire seriously ill children and their families.

In 2018, thanks to the generous support of individuals, organizations, foundations, and corporate partners, we found new and exciting ways to deliver happiness to more seriously ill children and their families by expanding existing programs and introducing new ones, like Starlight Virtual Reality, to more than 800 children's hospitals and other health care facilities across the country.



"Happiness definitely impacts a patient's experience. It also impacts a family when they see their child more comfortable, distracted after surgery. It makes an enormous difference, and we know their recovery is faster and smoother when we use Starlight Gaming consoles after surgery."

– Dr. Lisa S. Ipp, Chief of Pediatrics, Hospital for Special Surgery

OUR VALUES

excellence & innovation



We strive to go beyond expectations, always seeking new and better ways to achieve our mission.



Starlight Virtual Reality

Transforming the hospital experience for kids through the power of virtual reality



Starlight Virtual Reality is a state-of-the-art technology program that radically transforms the hospital experience for seriously ill children and their families. Starlight VR is the first general use VR program for hospitals that delivers happiness to children through 20+ pre-loaded, kid-friendly experiences to help distract them during difficult medical procedures or simply relax and have fun while they escape into a virtual world.

Starlight VR is an engaging intervention through a customized, hospital-ready headset that helps decrease anxiety and pain for children. It also provides dynamic content geared toward entertainment and distraction such as virtual snowball fights, immersive field trips to exotic locations, fun video games, and more. The content allows patients with limited mobility to sit up or lay down and control the game using a remote or their head.

In 2018, we delivered 908 Starlight VR headsets to more than 185 hospitals in the US.

Starlight VR is made possible thanks to generous support from our Founding Sponsor, The Walt Disney Company and *Star Wars: Force for Change*, Google, Lenovo, and Niagara Cares.

Special thanks to the CHARIOT (Childhood Anxiety Reduction through Innovation and Technology) team of Lucile Packard Children's Hospital Stanford and our virtual reality program pilot partners at Cincinnati Children's Hospital Medical Center, Children's Hospital Colorado, Gillette Children's Specialty Healthcare, and Texas Children's Hospital.

In addition, thank you to The Najim Charitable Foundation and the Hermann Foundation for their generous grants funding virtual reality headsets in the San Antonio area and our other 800+ hospitals around the country.



Play



Entertainment



Normalization



Procedural Support



Emotional Support



Pain Management



Physical Therapy



MEET GRADY



Seven-year-old Grady, who was receiving physical therapy at Gillette Children's Specialty Healthcare in Minnesota, was one of the first kids to try our program and said that it helped him escape the hospital. "I would sit on the very top level of a double-decker bus!" Grady told us. "It feels like you're not in the hospital."

"Anytime your kid doesn't want to leave the hospital, you know the facility is doing something right. He loved Gillette and he loved Starlight Virtual Reality," said Cary, Grady's mom.

"Virtual reality has been a fantastic addition for our patients," said Chantel Barney, Ph.D., a clinical scientist at Gillette Children's Specialty Healthcare. *"In some instances, we've been able to curb the anxiety and fears our kids typically experience during procedures such as blood draws, transfusions, wound cleanings, casting and more. It's a wonderful distraction for kids and parents alike."*





Starlight Hospital Wear

Style with a smile

Starlight Gowns are high-quality, soft, and colorful hospital gowns that deliver happiness to seriously ill children and their families. Starlight Gowns are specially manufactured to meet the needs of hospitalized kids with ties on the side (instead of down the back) for comfort and modesty, plastic snaps on each shoulder that allow for easy access and use during medical procedures, such as during MRIs or X-rays, and come in a variety of fun designs.

The transition from one's own clothes to traditional hospital wear is one of the highest stress moments in a child's hospital experience. Starlight Gowns are superior to regular hospital gowns because they are better at supporting both the functional needs of hospital staff and psychosocial and emotional needs of pediatric patients.

And best of all? Kids love to wear Starlight Gowns. Six-year-old Andrew faces 168 weeks of chemotherapy and his mom, Brenda, told us he hates the hospital gowns and she would have to bring pajamas for him to wear instead. *"He loves the Starlight Gowns because they are as soft as his own pajamas,"* she said.

In our third year of the program, we delivered 77,684 gowns, in more than 30 designs, to children in nearly 300 health care facilities.

Special thanks to our 2018 Starlight Hospital Wear corporate partners including The Walt Disney Company, Major League Baseball, Michaels Stores, Niagara Cares, the Joy in Childhood Foundation, Dave Koz & the Dave Koz Fan Network, The Casey Fund, Ole Henriksen, and Insomniac Games.

In addition, thank you to The Najim Charitable Foundation and the Hermann Foundation for their generous grants funding Starlight Gowns in the San Antonio area and our other 800+ hospitals around the country.



Comfort



Socialization



Normalization



Procedural
Support



Emotional
Support

MEET JACK & EVERLY



Everly was born with congenital heart defects and needs a series of open heart surgeries. Already, she has spent more time in the hospital than most adults will ever have to in their lifetimes.

Big brother, Jack, designed a Starlight Gown for our first-ever “Design-A-Gown” contest inspired by his little sister, Everly. His winning design was red, with hearts and lots of glitter. Before her third open heart surgery – right before her first birthday – Everly was able to wear the custom-made gown designed by her brother. “As she came out of the fog of the anesthesia later in the evening after surgery she was pretty grumpy,” Lauren, Everly’s mom told us. “We put her in her gown and she immediately got a little better. And Jack loves the gown because the ties are down the side rather than the back, so ‘her butt doesn’t hang out!’”

We manufactured 30,000 of Jack’s Starlight Gown design – plus 10,000 each of the two runners-up – and distributed them to our hospital partners across the US.

“And that’s what makes Starlight so special: they’ve thought of everything a kid and family needs to help us smile during long hospital stays,” Lauren said. *“Because it may seem like a small thing to you, but a comfy, new Starlight Gown, or an hour playing video games on a Starlight Gaming console or having the chance to escape the hospital and explore the world in virtual reality... well, it’s absolutely priceless to us.”*





Starlight Gaming

Healing power of play



Starlight Gaming delivers happiness to seriously ill children by providing them with hours of fun and distraction through their favorite Nintendo® video games and streaming movies and TV shows through Netflix and Hulu, right from the comfort of their hospital bed or in a playroom with a group of kids.

For more than 25 years, Starlight Gaming has provided millions of seriously ill children with hours of entertainment, distraction, and a much-needed sense of normalcy. Starlight Gaming console are specially manufactured by Nintendo to meet strict infection safety protocols for use in a hospital setting. Doctors, nurses, clinicians, and child life specialists are able to use a single gaming unit in a variety of settings, from the ER, to a playroom, to a treatment room, and even bedside for a pediatric patient in isolation.

Starlight kid Jayden was diagnosed in 2004 with bacterial meningitis that caused severe brain trauma, kidney and liver failure and

right-side paralysis. “Living in hospitals, you have to make it fun,” Jayden’s dad, Andy explains. “Not only for my son, but when my daughter comes to visit. They both sit on the bed and play games together. It just makes it more comfortable and makes it more relaxing. The centers help them be kids.”

“After spending time on the Starlight Gaming console, kids forget about being sad, which is so important,” said Julie Helgren, CTRS, CBIS, Recreational Therapist at Rancho Los Amigos National Rehabilitation Center in Downey, Calif. “It also works on pain. Kids are able to play for two, sometimes three hours with no pain medication.”

In 2018, we delivered 285 Starlight Gaming consoles to children at 232 facilities in the US.

Special thanks to Nintendo of America for its generous support of Starlight Gaming, and to the thousands of Nintendo employees over the years who have volunteered their time to help design, build, ship, and provide technical support for the program.



Play



Entertainment



Socialization



Normalization



Emotional Support



Pain Management



Physical Therapy



OUR VALUES

caring



We are passionate, dedicated, and care deeply about our mission.



Starlight Spaces

Ace of Space



Starlight Spaces deliver happiness to seriously ill children by transforming indoor and outdoor hospital spaces into state-of-the-art, interactive, and relaxing environments that can be enjoyed by children and their families. These playrooms, teen lounges, therapy gyms, healing gardens, and playgrounds offer a variety of diversions, including video games, computers, toys, crafts, music, and best of all, the company of other children.

Starlight transforms hospital spaces to improve the psycho-social and emotional wellness of hospitalized kids, teens, and their families by providing a treatment-free space for play, social interaction, and meaningful activities. We re-imagine playrooms, treatment rooms, waiting areas, family kitchens, teen lounges, and even outdoor playgrounds through a simple room refresh, partial renovation, total overhaul, or creating a new space in the hospital where patients and their families can relax and enjoy their time together.

We found a new way to serve patients and their families in 2018 with the creation of a new, multi-purpose pediatric therapy kitchen at La Rabida Children's Hospital in Chicago.

The kitchen allows patients and their families to learn to cook meals together and to help pediatric patients learn the skills they need to prepare healthy meals as part of their post-hospital life.

In this hands-on setting, kids feel like they're playing while they're learning. Take 14-year-old, Maddie, a Starlight kid who has limited use of her arms. Maddie mentioned she wanted to make breakfast for her mom's birthday. At our custom-made rehab kitchen at La Rabida Children's Hospital, occupational therapists were able to re-teach her how to use kitchen equipment.

"This is all about making things easy in preparation for things that are harder," said Colleen Harper, Director of Rehab and Child Life, La Rabida Children's Hospital in Chicago, Ill.

In 2018, Starlight funded, completed, or broke ground on ten new or renovated spaces at nine children's hospitals or health care facilities in the US.

Special thanks to the Joy In Childhood Foundation, Michaels Stores, and Niagara Cares for generously supporting this program in 2018.



Play



Entertainment



Comfort



Socialization



Normalization



Emotional Support



Physical Therapy



Starlight Deliveries

Delivering happiness



Play



Entertainment



Normalization

Starlight Deliveries offer our more than 800+ hospital and health care facility partners an easy-to-use, free online platform where they can order items directly from our inventory of millions of dollars' worth of donated toys, books, games, crafting materials, and other urgently needed products that deliver happiness to seriously ill children and their families.

Thanks to the generosity of our corporate partners, Starlight Deliveries ensure hospitals receive exactly the items they need, in precisely the quantities they can accommodate, just when they need them, and at no cost to the hospital. Starlight coordinates the delivery of these donated products through a custom and secure e-commerce platform where our registered hospital partners can view, select, or request items that are most useful and relevant for their patients and staff.

When Starlight kid Lucy underwent a heart transplant and spent months at Ann & Robert H. Lurie Children's Hospital of Chicago, she always looked forward to her red wagon rides. *"What Lucy liked most about the Radio Flyer wagon is that it allowed her to go out on 'walks' when she wasn't strong enough to walk by herself,"* said Betsy, Lucy's mom.

Judy Batterson, Service Line Director, Women & Children's Services, Pottstown Memorial Hospital said, *"The comfort kits are so handy for all ages of children, the craft supplies keep them busy and their creativity is sometimes amazing. The parents really appreciate time to catch their breath while their child is provided the 'quiet play' opportunity."*

In 2018, we delivered \$5.5 million in toys, books, games, Radio Flyer wagons, and other cool stuff kids love to almost 700 facilities in the US.

Special thanks to our 2018 Starlight Deliveries program donors including The Walt Disney Company and Michaels Stores.

OUR VALUES

service



We are motivated by a strong commitment to serving seriously ill children.

Our Corporate Partners

Thanks to the generous support of corporate partners, Starlight is able to deliver happiness to seriously ill children and their families. Whether it's working with The Walt Disney Company to give children the comfort of their favorite Disney character through our Starlight Gown collaboration, or delivering fun through our 27-year Starlight Gaming program with Nintendo of America, our partners help us to deliver programs that are founded in sound research and focused on bringing entertainment, distraction, and inspiration to help sick kids heal faster.

A very special thank you to our major corporate partners in 2018.

The *WALT DISNEY* Company



OUR VALUES

teamwork



We are one team with one goal: to deliver happiness to seriously ill kids.



Our Donors



We're in this together and can all support Starlight kids, wherever we are and in whatever way we choose. We're incredibly grateful to our individual donors who raise money in creative ways to help Starlight deliver happiness to seriously ill children and their families.

Donations, big and small, help Starlight kids directly, whether it's to fund the delivery of an individual Starlight Virtual Reality headset or to help bring a variety of Starlight programs to a facility in your own community.

**Just \$10 delivers happiness to 10 seriously ill children.
Donate today at starlight.org.**



DONOR SPOTLIGHTS



Dave Koz & Fans



Thanks to Dave Koz, his generous family, and his incredible network of fans, Starlight was able to make a huge impact on seriously ill kids in 2018. Koz fans enjoyed great jazz and were able to support Starlight through a silent auction on two week-long cruises to the Baltic Sea. Starlight also created and released our first-ever artist inspired, music-themed Dave Koz & Friends Starlight Gown. He also rounded out the year with a fan fundraising campaign during his annual holiday tour across the US. In total, Dave and his fans have raised more than \$1.1 million for Starlight. Thank you, Dave!



Stephen Stanton



Starlight ambassador and *Star Wars* voice actor, Stephen Stanton, enlisted the help of his online followers to raise enough funds for two Starlight Gaming consoles to be provided to seriously ill children at Dignity Health Northridge Hospital Medical Center, Calif. He encouraged his followers to make a donation to Starlight in return for a signed autograph. Thanks to his fandom and generosity, Starlight kids will enjoy these mobile entertainment units for years to come.



Jayden Bartels



Thanks to Jayden, a Starlight ambassador who raised more than \$5,000 from a scavenger hunt and an online birthday fundraiser so that seriously ill Starlight kids can have fun while they're hospitalized. The teenage YouTube star brought the fun herself, by spending a day playing games and arts and crafts at Dignity Health Northridge Medical Center. She even captured video of the fun day and shared it on her Youtube channel for her 690,000+ subscribers to see the brave Starlight kids she met.

DONOR SPOTLIGHTS



Daisy Glazier



The power of youth! Starlight ambassador Daisy Glazier has raised more than \$25,000 to deliver happiness to seriously ill kids. In 2018, she even donated her Bat Mitzvah. What a generous way to celebrate this important milestone! Daisy is a repeat ambassador: when she was just 12, she walked 25 miles – in the winter! – to donate a Starlight Gaming console.



Alan Swinhoe



Thanks to Alan Swinhoe for pedaling to help pediatric patients. Alan completed a cross-country solo journey across the US to raise funds and awareness for Starlight. That's 10 weeks and 3,900 miles of commitment. When we asked him why he was raising awareness for Starlight, he simply said: "If my grandkids were ever hospitalized, I would love for them to have Starlight in their lives." Ride on, Alan!



Rob Megennis



Thanks to professional race car driver, Rob Megennis, who is racing for good and donating \$2 for every lap he races in the Indy Lights Race. When he's not on the race track, he's spending time in the hospital with kids. "To see the kids' faces light up as they try on my helmet, and to be able to share my love for racing with kids who aren't having the best time in their lives, it is really such an amazing opportunity for me," Rob says.

OUR VALUES

accountability



We are accountable to those we serve and our donors, as well as ourselves.

Our Financials

Thanks to the hard work and generosity of so many, 2018 was our most impactful year yet. We were able to raise more money, and deliver more happiness than ever before.

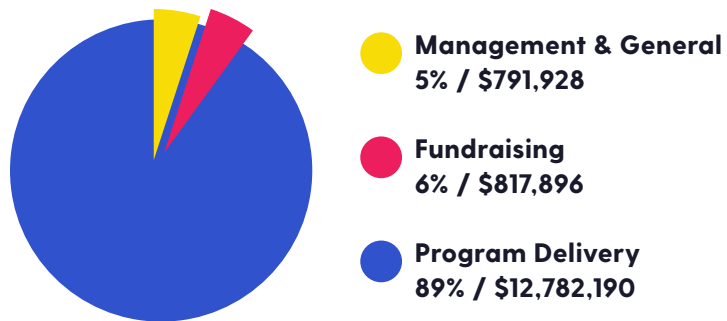
In 2018, we raised:

\$17.2MM in total

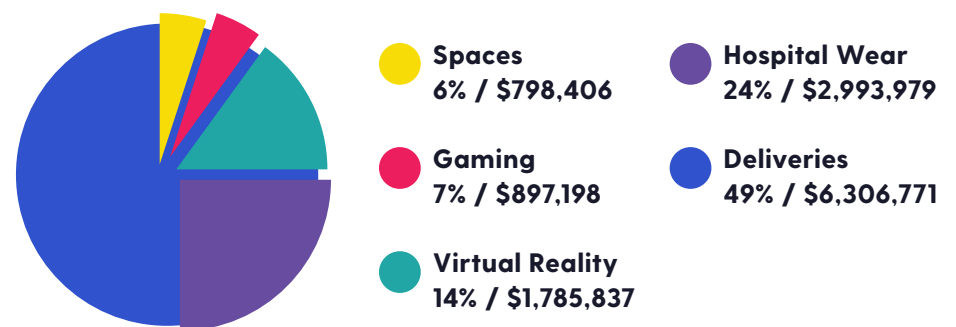
Net Assets:

\$10.4MM 2018
\$7.2MM 2017

Allocation of Expenses:



Investment by Program:



Our Awards



OUR VALUES

integrity



**We do what we say we will do to make a positive change
for seriously ill children and their families.**

Governance & Board of Directors



Starlight Children's Foundation is a registered 501(c)(3) public charity. Starlight is committed to best governance practices, including transparency, accountability, and responsible financial management in the conduct of its affairs.

The activities and affairs of Starlight are conducted under the direction and oversight of its Board of Directors. The Board is skills-based, with members collectively bringing a wide range of expertise and experience.

The CEO is appointed by and reports directly to the Board. The CEO is responsible for managing the overall operations and resources of Starlight in order to have the greatest positive impact on seriously ill children and their families.





Board Committees

Board Committees focus on key areas of governance and report directly to the Board of Directors. These committees include:



Executive Committee

- Acts in a consultative capacity for the CEO
- Reviews, deliberates upon and decides matters of significance
- Handles time sensitive matters that may need speedy action
- Collaborates with CEO in preparation of Board meeting calendar and agendas

Finance Committee

- Provides financial oversight
- Reviews financial statements prepared by management for integrity and timeliness
- Collaborates with management to develop and approve operating and cash flow budgets
- Monitors adherence to budgets
- Formulates and recommends for adoption by the Board Starlight's investment and reserve policy and oversees compliance with these policies

Compensation Committee

- Recommends to the Board the compensation of the CEO and CFO to assure that such compensation is just and reasonable
- Oversees implementation of Starlight's compensation policy

Audit Committee

- Monitors Starlight's system of internal controls
- Recommends to the Board selection of Starlight's independent auditors
- Specifies the scope of external audits
- Supervises Starlight's internal and external audits

Nominations & Governance Committee

- Determines the skills and qualities needed on the Board
- Evaluates, recruits and nominates prospective directors for election by the Board
- Takes lead in evaluating the performance of directors



Our Board

BOARD CHAIR

Dr. Cara Natterson, MD

AUDIT COMMITTEE CHAIR

Carol Savoie

Henry Fields

Chris Helfrich

John Simone

VICE CHAIR, NOMINATIONS &
GOVERNANCE COMMITTEE CHAIR

John Rosenberg

COMPENSATION COMMITTEE CHAIR

Russ Cashdan

Zain Habboo

Marvin Levy

CO-FOUNDER

Peter Samuelson

FINANCE COMMITTEE CHAIR

Troy Young

SECRETARY

Eric Grodan

David Haspel

Roger Shiffman

CHAIRMAN EMERITUS

Steven Spielberg



The Constellation



The Constellation consists of generous people who have previously served Starlight as Directors, or in other prominent capacities, or significantly support Starlight's mission.

Howard Davine

Brian Gott

David Hoberman

Warren Kornblum

Mel Marks, MD

Kevin Mayer

Hannah Minghella

Brandon Phillips, MD

Gary Rachelefsky, MD

Glenn Ross

Ron Leibow

(POSTHUMOUS)
General H. Norman Schwarzkopf



Thank you for your support.



Delivering happiness to more than 16 million seriously ill children in the US since 1982.



Starlight Children's Foundation is a 501(c)(3) organization.

©2019 Starlight Children's Foundation, all rights reserved.

Starlight Children's Foundation®, Starlight®, Starlight Gowns®, the child reaching for the star, and the Starlight logo are registered trademarks of Starlight Children's Foundation. Reg. U.S. Pat. & Tm. Off."

starlight.org

  @StarlightChildrensFoundation

 @StarlightUS