

2008 ANNUAL REPORT TO THE PUBLIC

(5/1/07 – 4/30/08)

OUR MISSION

Educate America! The Education, School Support and Scholarship Funds Coalition is an IRS-recognized tax-exempt federated group representing charitable organizations that specialize in providing schools with better classroom tools, tutors for struggling students, role model mentors, student teacher scholarships, computer support, literacy education, and after-school enrichment programs. Its mission is to organize and prepare its member charities for effective participation in at-work employee charitable fund drives and other types of fundraising activities, to screen and certify these charities to assure they meet the eligibility criteria to participate in these fund drives, to help educate contributors about the work of these worthy causes, and to provide for the secure, accurate, and timely transmission of contributions from the fund drives to the recipient charities. And to do all the above as cost-effectively as possible consistent with delivering quality service.

Originally established to help charities participate more effectively in the U.S. Government's annual employee fund drive, the Combined Federal Campaign, Educate America has in recent years expanded into fund drives conducted by state and municipal governments, United Ways, and corporations, either by representing its members directly or by cooperating with other federated groups.

PROGRAM SERVICES

To accomplish its mission, Educate America provides the following programs and services to its members and to the giving public:

- ✓ Fund drive application assistance.
- ✓ Review and certification of charitable agency eligibility documentation.
- ✓ Representation of the members before fund drive organizing and/or regulatory authorities.
- ✓ Disseminating information about the work of the charities to the workplace giving public.
- ✓ Organizing member participation in fund drive promotional and educational events.
- ✓ Forwarding contributor name and address information, if requested, and accounting for and transmitting gift funds, with annual audit.

THE YEAR IN REVIEW

Educate America approved and certified 43 members in the Fall 2007/2008 fund drive campaign year and raised \$1.3 million in cash and pledges. A complete list of the member charities, including descriptions of their programs, addresses and direct contact information is available at www.educateamerica.org.

Either directly or through cooperative arrangements with other federations, members were presented in workplace fund drives reaching as many as 10 million employees. Members also had the option of participating in a variety of non-workplace fund raising programs. A detailed description of member services and benefits is available on the federation's web site.

Educate America! The Education, School Support and Scholarship Funds Coalition

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AUDITED FINANCIAL STATEMENTS SUMMARY

For the year ended April 30, 2008

Public support:

Combined Federal Campaign	\$1,137,056
State Employees & Corporate campaigns	8,529
Online Giving System donations	224,205
Less estimated uncollectible pledges	(206,205)
Less amounts distributed to member agencies	<u>(1,081,760)</u>
Total public support	81,825

Revenue:

Interest and other income	3,005
Charges to member agencies	<u>27,261</u>
Total revenue	30,266

Total support & revenue 112,091

Expenses:

Program services	64,729
Administration	16,470
Fundraising	<u>30,892</u>
Total expenses	112,091

Changes in net assets	0
Net assets, May 1st	0
Net assets, April 30th	0

The federation is audited by the firm of Maze & Associates, Certified Public Accountants, headquartered in Pleasant Hill,, California. A complete copy of their report for the fiscal year ended 4/30/2008 is available on request. A copy of the federation's Form 990 IRS tax return is available on our web site.

MEMBER CHARITY FEES

For the fiscal year 2007/2008, federation expenses exceeded revenue by \$27,261. Fees to members thus equaled 2.6% of amounts designated.

Member charities share in supporting the operating costs of the federation ("Total Expenses" in the federation audited financial statements) by having membership fees deducted from the donor-designated gifts they receive from the fund drives in which they participate as members of the federation. Fees are determined on a pro rata basis. For example, if gifts made to a member charity represent ten percent of the total of all gifts made to all members, that charity's share of federation operating costs will be ten percent.

Gifts made to the federation itself (versus gifts made to an individual member agency), and other federation revenue, such as interest income, are shared among all the member charities on the same proportionate basis. For example, if gifts made to a member charity represent ten percent of the total of all gifts made to all members, that charity's share of federation revenue will be ten percent.

Therefore, as a net result, should the federation's revenue exceed expenses in any given year, the member charities share the excess income in addition to the donor-designated gifts each has received; the membership fee is effectively zero. Conversely, should the federation's expenses exceed revenue, fees are apportioned against the members' donor-designated gifts to cover the net balance.

The proportionate formula notwithstanding, the federation "caps" fees that any individual member charity can be assessed. For revenue generated through the Combined Federal Campaign, there is a cap of \$12,500. For revenue from other fund drives, the cap is ten percent of gifts, with no minimum fixed dollar amount. Regardless of its respective gift totals, a member cannot be assessed an amount larger than this cap.

MEMBER CHARITY RESULTS – FALL 2007 CFC

	DESIGNATIONS	FEES
AFS-USA, Inc.	\$24,994	\$655
Alliance for School Choice, Inc.	7,478	196
American Foreign Service Association Scholarship Fund	17,275	453
American Indian College Fund	94,540	2,477
American Indian Higher Education Consortium	20,565	539
American Indian Services	92,256	2,417
Americans for Libraries Council	8,653	227
Astronomical Society of the Pacific	10,858	284
Center for Excellence in Education	7,689	201
Challenger Center for Space Science Education	20,050	525
Children's Patriotic Scholarship Foundation	8,816	231
Children's Scholarship Fund	63,075	1,653
Consortium for Oceanographic Research and Education (CORE)	2,481	65
Daniel Pearl Foundation	4,543	119
Dollars for Scholars	28,572	749
Electrochemical Society, The	1,290	34
Freedom to Read Foundation	12,764	334
Friends of Libraries USA	13,048	342
Fund for American Diplomacy	10,145	266
International Partnership for Service-Learning and Leadership	1,574	41
James Madison Education Fund, Inc.	10,429	273
Japan-America Student Conference	15,460	405
Junior Engineering Technical Society	14,807	388
MATHCOUNTS Foundation	26,642	698
Mr. Holland's Opus Foundation	109,891	2,879
Music Education Matters, MENC	61,786	1,619
National Center for Family Literacy	13,719	359
National Council for Science & the Environment (NCSE)	9,515	249
National FFA Foundation, Inc.	24,374	639
National Foundation for Advancement in the Arts	10,346	271
National Society of Black Engineers	26,376	691
National Space Society	31,175	817
NEA Foundation for the Improvement of Education	12,842	336
Parents as Teachers National Center	6,382	167
ProLiteracy Worldwide	25,530	669
Public Education Network	7,451	195
Rolling Readers USA	8,880	233
Science Olympiad	42,953	1,125
SETI Institute	78,101	2,046
Space Frontier Foundation	24,833	651
Street Schools for At-Risk Youth	11,525	302
Woodrow Wilson National Fellowship Foundation	9,519	249
World Learning	7,830	205

GOVERNANCE AND STAFF

Educate America is governed by an all-volunteer board of directors who receive no compensation for their services.

Mr. David Surbrook, President

Ms. Michele Burnett, Vice President

Mr. James Aiello, Treasurer

Ms. Sylvia Longchamps, Records Officer

Mr. Gregory Josselyn, Member

The federation does not retain regular staff employees but instead retains outside service providers under the supervision of the Board of Directors. The two principal outside service providers are Maguire/Maguire Association Management, for membership and campaign support services, and Local Independent Charities of America for fiscal agent services.