

2010 ANNUAL REPORT TO THE PUBLIC

(5/1/09 – 4/30/10)

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 42 members in the Fall 2009/2010 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

1100 Larkspur Landing Circle, Suite 340 • Larkspur, CA 94939

Telephone: 800/626-7094 • Facsimile: 415/925-2650

www.educateamerica.org

AUDITED FINANCIAL STATEMENTS SUMMARY

For the year ended April 30, 2010

Public support:

Combined Federal Campaign	\$1,066,760
State Employees & Corporate campaigns	5,741
Online Giving System donations	252,500
Less estimated uncollectible pledges	(203,601)
Less amounts distributed to member agencies	<u>(1,040,057)</u>
Total public support	81,343

Revenue:

Charges to member agencies	<u>40,244</u>
Total support & revenue	121,587

Expenses:

Program services	69,661
Administration	15,213
Fundraising	<u>36,713</u>
Total expenses	121,587

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, CPAs, headquartered in Pleasant Hill,, California.

A complete copy of their report for the fiscal year ended 4/30/2010 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 2009/2010, charges to members equaled \$40,244. Total costs to members thus equaled 3.0% of revenue.

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, for the fiscal year 2009/2010, the federation "capped" fees that any individual member charity could be assessed. For revenue generated through the Combined Federal Campaign, there was a cap of \$12,500. For revenue from other fund drives, the cap was 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 2009 CFC

	DESIGNATIONS	FEES
Afterschool Alliance	\$12,307	\$580
Alliance for School Choice, Inc.	6,091	274
American Foreign Service Association Scholarship Fund	10,370	543
American Indian College Fund	86,531	4,250
American Indian Higher Education Consortium	18,151	916
American Indian Services	61,994	3,061
Army Historical Foundation	43,213	2,142
Astronomical Society of the Pacific	9,378	436
Center for Excellence in Education	11,897	567
Challenger Center for Space Science Education	24,974	1,200
Children's Patriotic Scholarship Foundation	8,923	420
Children's Scholarship Fund	39,877	1,901
Daniel Pearl Foundation	4,049	196
Dollars for Scholars	26,829	1,245
DonorsChoose.org	15,682	751
Freedom to Read Foundation	10,372	492
Friends of Libraries USA	13,955	692
Future Leaders for America Foundation	6,921	326
International Partnership for Service-Learning and Leadership	1,370	68
James Madison Education Fund, Inc.	7,929	376
Japan-America Student Conference	18,986	863
Jumpstart for Young Children, Inc.	11,859	559
Junior Engineering Technical Society	11,893	578
Library of America	10,009	463
MATHCOUNTS Foundation	26,424	1,258
Mr. Holland's Opus Foundation	121,623	5,846
Music Education Matters, MENC	70,849	3,311
National Center for Family Literacy	22,395	1,077
National FFA Foundation, Inc.	23,835	1,117
National Foundation for Advancement in the Arts	6,996	340
National Space Society	34,571	1,645
NEA Foundation for the Improvement of Education	14,868	677
Outward Bound	9,171	445
Parents as Teachers National Center	3,985	195
Project Management Institute Educational Foundation	873	43
Science Olympiad	56,647	2,731
SETI Institute	69,840	3,278
Simon Youth Foundation	1,941	90
Space Frontier Foundation	20,494	958
Street Schools for At-Risk Youth	13,748	653
Woodrow Wilson National Fellowship Foundation	2,284	110
World Learning	11,871	547

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, Board 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.