

2009 ANNUAL REPORT TO THE PUBLIC

(5/1/08 – 4/30/09)

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 2008/2009 fund drive campaign year and raised \$1.2 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, 2009

Public support:

Combined Federal Campaign	\$1,065,267
State Employees & Corporate campaigns	6,197
Online Giving System donations	214,589
Less estimated uncollectible pledges	(192,863)
Less amounts distributed to member agencies	<u>(1,000,898)</u>
Total public support	92,292

Revenue:

Charges to member agencies	<u>23,337</u>
----------------------------	---------------

Total support & revenue	115,629
-------------------------	---------

Expenses:

Program services	79,262
Administration	4,030
Fundraising	<u>32,337</u>
Total expenses	115,629

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 4/30/2009 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 2008/2009, federation expenses exceeded revenue by \$23,337. Fees to members thus equaled 2.4% of CFC 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 2008 CFC

	DESIGNATIONS	FEES
Alliance for School Choice, Inc.	\$7,629	\$183
American Council for Environment and Science	4,921	118
American Foreign Service Association Scholarship Fund	15,746	377
American Indian College Fund	88,779	2,127
American Indian Higher Education Consortium	19,949	478
American Indian Services	84,165	2,016
Americans for Libraries Council	10,020	240
Army Historical Foundation	32,365	775
Astronomical Society of the Pacific	7,707	185
Center for Excellence in Education	8,334	200
Challenger Center for Space Science Education	19,274	462
Children's Patriotic Scholarship Foundation	5,075	122
Children's Scholarship Fund	52,185	1,250
Consortium for Ocean Leadership	2,847	68
Daniel Pearl Foundation	5,376	129
Dollars for Scholars	30,817	738
DonorsChoose.org	7,942	190
Freedom to Read Foundation	10,907	261
Friends of Libraries USA	11,887	285
Fund for American Diplomacy	8,486	203
Future Leaders for America Foundation	13,387	321
International Partnership for Service-Learning and Leadership	947	23
James Madison Education Fund, Inc.	5,622	135
Japan-America Student Conference	20,021	480
Junior Engineering Technical Society	18,459	442
MATHCOUNTS Foundation	23,680	567
Mr. Holland's Opus Foundation	105,974	2,539
Music Education Matters, MENC	57,923	1,388
National Center for Family Literacy	7,002	168
National FFA Foundation, Inc.	17,897	429
National Foundation for Advancement in the Arts	7,792	187
National Space Society	29,997	719
NEA Foundation for the Improvement of Education	11,984	287
Outward Bound	19,700	472
Parents as Teachers National Center	6,960	167
ProLiteracy Worldwide	26,189	627
Science Olympiad	44,001	1,054
SETI Institute	73,627	1,764
Space Frontier Foundation	21,584	517
Street Schools for At-Risk Youth	12,656	303
Woodrow Wilson National Fellowship Foundation	8,097	194
World Learning	6,165	148

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.