

The  *Education*
alliance
Business and Community for Public Schools

 Celebrating
Fifteen Years of
Commitment to our
Public Schools

The Education Alliance
ANNUAL REPORT
1998

Founded in 1983 as the
West Virginia
Education Fund

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The past year has been truly extraordinary as we have celebrated our many significant accomplishments during our fifteen-year commitment to West Virginia's public schools. The Education Alliance has demonstrated numerous ways to encourage excellence and innovation in our schools. We have provided opportunities to promote economic development by acting as a catalyst to bring together diverse segments of West Virginia's communities to work for, and with, schools to prepare students for success. We have found ways to send a strong and consistent message to our state's professional educators that the business community really cares. And, we have established that business and community involvement does help schools reach higher levels of achievement.

We have been fortunate to serve as a vehicle through which the community directly affects education by the infusion of its human and financial resources. However, we are acutely aware of the challenges that face public education and this organization in the next millennium. In light of these challenges, we asked the question recently of how to strengthen the organization. We consider this an exciting time for The Education Alliance as we focus on long-range strategic planning. With the vision and leadership from our Board of Directors and supporters, we are determining what refinements, expansions and overall improvements are necessary to ensure that our organization continues to provide the greatest overall benefit to public education in West Virginia and helps our state's education system build on recent education reforms and achievements.

We also realize that in order to grow our programs and implement our future strategies, we need to expand our current base of support—volunteers who incorporate our programs into their schools, businesses, and communities, and contributors who provide the financial resources to make our programs available throughout the state. It is our belief that our upcoming strategic options will indeed inspire greater participation and produce greater results.

Simply stated, the goal for The Education Alliance is to be as instrumental in enhancing public education in the next fifteen years as it was during the first fifteen years. I have no doubt that with continued volunteer support we will sustain our efforts that affect virtually every student and every school in West Virginia.



A handwritten signature in cursive script that reads "Sharon H. Rowe".

Sharon H. Rowe

Since 1983, The Education Alliance has been working to increase the involvement among business, community, and public schools by supporting a statewide network of programs and initiatives. Through our efforts, we recognize and encourage excellence in teaching and school performance through grants and awards; implement programs and recruit volunteers to support our public schools; and educate the public and policy makers on critical issues affecting education through unbiased research and analysis. Our programs and initiatives may engage different groups and volunteers, but we share an overall purpose and objective— to provide continued support for public schools in West Virginia.

Celebrating our fifteenth anniversary would not be possible without the support and trust of the education and business communities. Throughout the state we depend on many individuals, from educators to parents, to guide our program objectives and adapt our services to accommodate the needs of their schools and communities. This volunteer involvement continues to grow, allowing our organization to fulfill our mission to serve as a catalyst for business and community involvement with our K-12 public schools and to enhance student learning opportunities and achievement.



The mission of
The Education Alliance
 is to serve as a
 catalyst for
 business and
 community
 involvement in our
 K-12 public schools



• **Jefferson Elementary School** students in Wood County participate in a Grand March as part of their classroom's USA Grand March Mini-Grant project

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T I M E L I N E



From the first Mini-Grants for Classroom Projects awarded in 1983 to this year's Anniversary Gala Celebration, this timeline chronicles the past fifteen years of The Education Alliance. We remember these events not only as achievements, but as defining moments in our history that have shaped our mission

1 9 8 3

The **West Virginia Education Fund**, now **The Education Alliance**, is founded as the first statewide education fund in the nation; **Mini-Grants for Classroom Projects** are established to support teacher innovation in the classroom; a grant review committee comprised of business, education and community leaders awards 123 Mini-Grants totaling more than \$33,500

across West Virginia, The Education Alliance's Partnerships in Education program is responsible for linking public schools and individual businesses in mutually beneficial and collaborative relationships. Founded in 1984, the program continues to encourage schools and business partners to find ways in which they can share ideas, resources, and knowledge to develop new and unique learning opportunities for students. The program currently has 825 schools, or 98 percent of all West Virginia public schools, linked with one or more business partners.

During the past year, more than 100 new businesses were added as additional partners to schools across the state. Over 1,200 businesses, corporations, and civic groups participate in the Partnerships in Education program. The program fosters relationships that encourage business leaders to contribute their time and talent, not only financial resources, to support their local public schools.



- Partnerships in Education participant Monongalia Health System provides monthly educational speakers for their partner, **Brookhaven School** in Monongalia County

The **Partnerships in Education** program is created to link businesses and schools; 164 *Mini-Grants for Classroom Projects* are distributed across the state totaling more than \$45,000

1 9 8 4

Over the past fourteen years, thousands of K-12 students have benefited from business partner involvement in their schools. Business partners have read aloud to classrooms, brought expertise and assistance to special projects, provided volunteers for school improvements, participated in tutoring and after-school programs, and have created many job shadowing opportunities. Businesses also benefit from this special relationship with schools.

Businesses have been presented with student artwork to decorate storefronts, allowed the use of facilities for activities, and assisted by student volunteers at business charitable events.

The goal of the Partnerships in Education's program is to achieve 100 percent participation with all public schools in West Virginia by the end of 1999.

Through the guidance and support of the Partnerships in Education Advisory Committee, this goal will be achieved. Last year, the Partnerships Advisory Committee hosted county-wide partnerships meetings to discuss partner activities and share success stories. The committee also selected six outstanding partnerships to receive the 1998 Gold Star Awards. The awards are presented to partnerships which exemplify the program's objectives for long-term relationships and enhanced learning opportunities for students.



Partnerships in Education

has more than 825 public schools in West Virginia (98 percent) linked with at least one business partner

1 9 8 5 176 *Mini-Grants* are awarded totaling more than \$46,500;
37 Partnerships in Education are established statewide

Learning in the classroom setting, students and teachers welcome the opportunity to expand their minds and explore unique hands-on activities. For fifteen years, The Education Alliance's Mini-Grants for Classroom Projects program has been providing teachers with the financial resources to incorporate these valuable classroom extensions into their existing teaching curriculum.

Mini-Grants for Classroom Projects was the first program introduced by The Education Alliance. The program is designed to award competitive grants up to \$500 to classroom teachers to support projects for which no public funds are available. The grants also serve as recognition of teachers' commitment and dedication to their students. Grants are written with the goal to give teachers a chance to incorporate new ideas and approaches to learning. Teachers have utilized the Mini-Grant funds to supplement existing studies in one or more subjects, or as an extension of their classroom teaching, involving students, parents and members of the community.

Since 1983, the Mini-Grants program has awarded over \$723,000 to fund the innovative projects of 2,978 classroom teachers. Through the years, projects continue to be innovative and hands-on, allowing teachers to challenge students to think creatively and realize that learning can be fun.

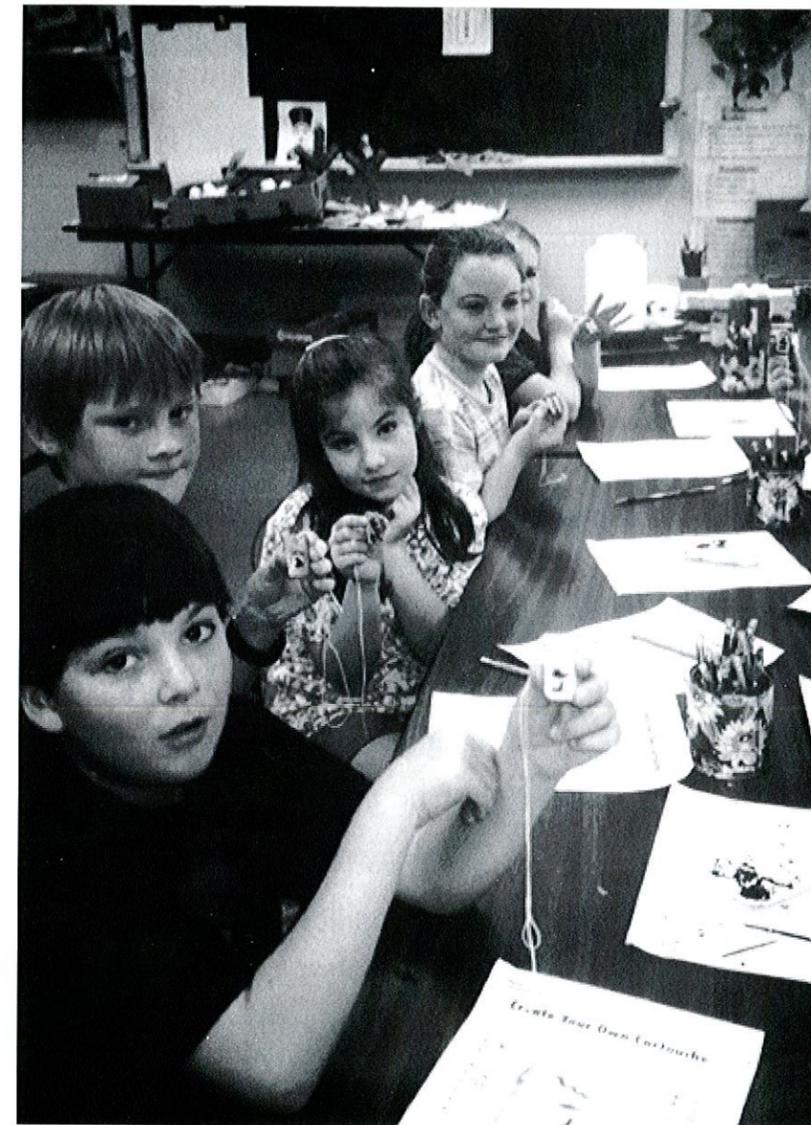


Since 1983,
over \$723,000
has been awarded to
2,978 teachers in
**Mini-Grants
for Classroom
Projects**

Outstanding Educator Merit Awards are established to recognize exemplary educators; 125 *Partnerships in Education* exist statewide; the first statewide Partnerships in Education Symposium is conducted to share ideas on successful collaboration between business and schools

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Classroom explorations made possible by Mini-Grant funding have included operating a school store, exposure to classical music and the great composers, theatre and visual arts, environmental and recycling projects, medieval studies, cultural explorations, expanded reading activities, and nature conservation projects.



Each year, eight Mini-Grant Review Committees award over \$50,000 in Mini-Grants across the state. The Mini-Grant Review Committees are comprised of educators and community leaders who evaluate each grant application for its educational value, goals, and benefits to students.

- Students at **Lewisburg Elementary** in Greenbrier County paint an Egyptian "cartouche" as part of their classroom Mini-Grant project titled, *Nefertiti: The Mystery Queen*

1 9 8 7 The **College Bound Program** is established to increase the percentage of high school graduates who go on to college

iving in a society increasingly driven by technology and television, students often are not encouraged to explore the simple enjoyment of reading a good book. In 1992, Read Aloud West Virginia became a program of The Education Alliance and has remained dedicated to bringing the joy of reading in classrooms across the state.

Supported by a growing base of volunteer readers, the Read Aloud West Virginia program offers students the opportunity to hear literature and stories come to life. Classroom volunteers read aloud to students, increasing their interest in reading and learning. Read Aloud visits also improve the listening skills of students, lengthen their attention spans, enrich their vocabularies and introduce students to a wide variety of topics through literature. The Read Aloud program depends on parent and community involvement in schools. As a result of the program, many students and volunteers develop strong friendships and a greater sense of community as a result of these visits.



The Education Alliance's Read Aloud West Virginia program continues to work with a statewide network of Read Aloud county coordinators to implement programs and increase the number of participating classrooms.

The county coordinators work to ensure a consistent read-aloud experience in classrooms and schools around the state.

• A Read Aloud volunteer captivates a group of students at **Whitethorn Elementary** in Mercer County

209 Mini-Grants are awarded totaling \$49,000; the *College Bound Program* features two new components: *A Day on Campus* that enables students to visit a college or university campus and *College Sort*, a publication containing listings and information about all the state colleges and universities; 371 *Partnerships in Education* are established statewide



Read Aloud West Virginia

volunteers bring the
joy and excitement
of reading to
classrooms across
the state

During the past year, regional meetings were held throughout the state to bring Read Aloud county coordinators from contiguous counties together to meet and share ideas for enhancing the Read Aloud program statewide and in their respective counties. The first Read Aloud Resource Kit was distributed at the regional meetings as a tool to assist county coordinators as their programs continue to grow and develop. The Resource Kit consist of materials to assist the coordinators in recruiting and training volunteer readers, marketing the Read Aloud program, and increasing classroom participation.

The Fifth Annual Read Aloud West Virginia Conference, "Family Connections," was held on the West Virginia University campus in Morgantown.

Volunteers, teachers, students, and parents from around the state attended this year's conference. The event provided the participants with information on trends in literature, opportunities to collaborate with other literacy programs, and the opportunity to meet nationally recognized children's authors. This year's conference featured two award-winning authors, Gloria Houston and Elizabeth Fitzgerald Howard.

The Read Aloud West Virginia program is dedicated to increasing program consistency and continuity, and setting attainable standards for county programs throughout West Virginia. By maintaining a strong statewide Read Aloud West Virginia network, the program will continue to recruit volunteers willing to share their love of reading with students of all ages.

1 9 8 9 The *College Bound Program* is expanded by adding "Think College Grants" to support projects that encourage students to consider continuing their education beyond high school; **Parental Involvement Awards** are established to increase parental involvement with public schools

In 1991, The Education Alliance's Business Council for Education was created as a coalition of businesses who made a commitment to improve the quality of education in West Virginia by promoting nine "Essential Components of a Successful Education System." These components include rigorous academic standards, reliable assessments, school accountability, professional development, parent involvement, school autonomy, technology, learning readiness, and school safety.

During the past seven years, the Business Council for Education has succeeded in improving the quality of our schools by assisting West Virginia policymakers in raising academic standards and school accountability. The Business Council has continued to provide support for Local School Improvement Councils (LSICs) by conducting training sessions and county workshops throughout the state. For the fifth consecutive year, a committee of LSIC and Business Council representatives selected the 1998 Progress Award winners. The Progress Award recipients were chosen based on their success and efforts to improve student achievement during the previous school year.

In the past year, the Business Council for Education also completed development of a communications guide for schools, in conjunction with the West Virginia School-to-Work Steering Committee, as a tool for public schools to use in implementing effective internal and



**Business Council
for Education**
has assisted
policymakers in
raising academic
standards and
school
accountability

external communication plans. By helping improve communication between public schools and the community, the Business Council hopes to see an increase of business and community involvement in our schools to enhance the quality of education in the state.

The Business Council plans to explore the issue of effective leadership and the importance of talented principals in successful schools. By utilizing the business community's expertise in the area of management, the Business Council for Education will help increase the effectiveness of our public school administrators.



• Community volunteers and business leaders share their time and knowledge with students at **Evans Elementary** in Jackson County

The Business Council for Education member companies include: American Electric Power, Arch Coal, Inc., Ashland Inc., Banc One-West Virginia, Bell Atlantic-West Virginia, E.I. DuPont de Nemours & Co., Union Carbide Corporation, and United Parcel Service.

Outstanding Educator Merit Awards, recognizing exemplary teachers and principals, are presented totaling \$25,000; 650 *Partnerships in Education* are established statewide; 40 *Parental Involvement Awards* are presented to educators

1990

1991 **Schools Ahead-21**, sponsored by Bell-Atlantic, replaces the *Outstanding Educator Merit Awards* and is intended to provide monetary awards for school programs preparing students for the next century; *Partnerships in Education* exist in all 55 counties; the **Education Policy Research Institute** and the **West Virginia Business and Education Alliance** are created

as an initiative of The Education Alliance, the Education Policy Research Institute continues to conduct scholarly research, analysis and evaluation regarding issues affecting the quality of public education in West Virginia. The research studies produced by the Education Policy Research Institute have received significant attention and acclaim over the years for their unbiased approach and choice of research topics which reflect national trends and the current public and political concerns about public education in our state.



• West Virginia college and university representatives attend a presentation and work session hosted by The Education Alliance to discuss the findings of the research study, "Educating Educators"

During the past year, the Education Policy Research Institute released two studies. ***Educating Educators*** focused on ways new teachers felt their education provided them with the necessary knowledge, tools, and skills to function effectively in the classroom. The report was based on a survey sent to all teachers who had taught in the state for four years or less, and had received their undergraduate degree from a teacher preparation program located in West Virginia.

Tomorrow's Teachers was released to provide projections of the number of estimated teacher retirements that will occur for the time period 1998 through 2010 in each of the state's fifty-five counties. The research also examined how projected changes in student enrollment will

Read Aloud West Virginia becomes one of our programs; the *Business and Education Alliance* conducts a statewide Local School Improvement Council symposium; the Education Policy Research Institute releases The "Fair Share" Dilemma, exploring current and alternative ways to acquire public school funding

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likely affect the supply and demand for teachers in each respective county school district. In addition to the research studies, the Institute prepared white papers on the topics of educational equity and quality for consideration by the Governor's Commission on Educational Quality and Equity.



The Education Policy Research Institute

continues to release
research studies
which are utilized
as tools by
policy makers and
school administrators

The Institute also conducted presentations regarding its research findings for the following groups and organizations: Leadership Charleston; the American Education Research Association; the State Board of Education, State College System and University System Board of Directors; and the Legislative Oversight Commission on Education Accountability.

The Institute's goal remains to provide timely and credible educational research, increase the statewide visibility and use of their research findings, and to have a positive influence on county and state level decision-making and policy changes in regard to public education.

The *WV Business and Education Alliance* produces the document, West Virginia Education: Our Children, Our State, Our Future, an analysis that describes the differences between West Virginia's accomplishments and its educational goals

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networking and collaborating with the State Department of Education, the Public Education Network, and the West Virginia Bureau for Public Health, The Education Alliance created the Working on Wellness (WOW!) program in 1996. The goal of the program is to encourage public schools to initiate coordinated school health programs, addressing one or all of the six major health risks for students.

The program seeks to supplement and enhance the efforts of other school health initiatives by assisting in county and state level policy development. Each year, the Working on Wellness program provides at least ten grants of up to \$1000 to public schools to develop programs that identify poor health behaviors affecting student achievement.

The Working on Wellness program encourages schools to view health as more than an extra-curricular activity. Through the development of a coordinated school health program, schools identify ways to improve the school environment, health services, health education, levels of physical activity, nutrition, mental health, staff wellness, and community involvement.

During the 1997-1998 school year, Working on Wellness grants were awarded to support wellness projects at seventeen schools in fourteen counties across the state of West Virginia.



Working on Wellness (WOW!)

provided grants to seventeen schools in West Virginia to help initiate coordinated school health programs



WOW! Grant recipients have created anti-tobacco messages for the school grounds and school newspaper, a nutrition program to encourage students to eat healthy, a fitness and science trail project, purchased wellness equipment for students, held drug awareness



• **H.E. White Elementary** students in Clay County are using a walking trail, funded in part by a WOW! Grant, to discover new ways to combine exercise and science

workshops for students and parents, and designed mentoring programs.

The Education Alliance believes that healthy students learn better. Public schools in West Virginia agree and are committed to improving the health and lifestyles of their students. The Working on Wellness program is encouraging and assisting schools to work in conjunction with their Local School Improvement Councils. Local School Improvement Councils can develop school health policies and provide volunteer support for adopting a coordinated school health approach. The Education

Alliance's Working on Wellness program continues to support public schools, Local School Improvement Councils, and the concept of statewide wellness for our students, our families, and our future.

Partnerships in Education Awards are presented to seven exemplary school-business partnerships in recognition of their accomplishments; The Business and Education Alliance offers the first *Progress Awards* to Local School Improvement Councils demonstrating success in addressing the needs of their schools

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Ready for What? is released by the Business and Education Alliance and identifies what skills high school graduates should have; *Achieving Despite Diversity* is released by the *Education Policy Research Institute* and looks at schools that consistently have higher levels of student achievement; Governor Gaston Caperton is honored at the Annual Dinner

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Campus visits may be just a day spent outside the classroom for some students, but for many, a trip to a college campus changes their perspective about continuing their education after high school graduation. The Ashland Inc. Day on Campus program began in 1988 as a component of the existing College Bound Program. The program enables West Virginia students in grades 4 through 9 to visit a college or university campus.



Since 1988, the **Ashland Inc. Day on Campus** program has enabled over 50,000 students in West Virginia to visit a college or university campus

During the past ten years, the program has provided financial assistance to schools, allowing over 50,000 students to visit a campus.

This year, 160 public schools and approximately 7,200 students from throughout the state participated in the Day on Campus program. Many public school teachers have commented that the Day on Campus visits are the most anticipated classroom field trips, and for students in rural areas, perhaps their only exposure to higher education.



• Students from **Glade Creek Elementary** in Nicholas County tour the West Virginia University campus

Working on Wellness (WOW!) becomes a program and **Tech Corps-West Virginia** becomes an initiative of The Education Alliance; the first statewide Local School Improvement Council Conference is hosted by the *WV Business and Education Alliance*

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Effective integration of technology to enhance learning is a significant challenge for schools across West Virginia and across the nation.

As part of a national effort, The Education Alliance's Tech Corps-West Virginia initiative works to address this challenge. The program seeks to bring people, businesses, and organizations together to enhance the use of technology in the classroom.

Tech Corps has worked in conjunction with other statewide technology efforts to assist public schools and has recruited business and community volunteers to provide their leadership, technical expertise, financial support, and time to help these initiatives.

During the past year, the State of West Virginia received a donation of more than 8,000 Intel 200 MHz microprocessors by Intel Corporation through the Tech Corps initiative.

Tech Corps-West Virginia continued to support NetDay activities in communities and schools across West Virginia. The Education Alliance is working with Bell Atlantic-West Virginia and the West Virginia Department of Education to continue this initiative until every classroom in West Virginia has high speed Internet access. Additionally, Tech Corps is collaborating with Bell Atlantic to complete the LOG-IN project (Linking Objectives & Goals Into the Net). The LOG-IN project seeks to develop and deliver lesson plans on the Internet to help teachers address the state's Instructional Goals and Objectives for several subjects.



**Tech Corps-
West Virginia**

received a donation from Intel Corp. for West Virginia's public schools valued at over \$2 million

Name changed to **The Education Alliance-Business and Community for Public Schools, Inc.;** **Business Council for Education** replaces the *WV Business and Education Alliance* program; **98%** of all West Virginia schools participate in the *Partnerships in Education* program

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Family involvement is viewed by teachers and administrators as an important predictor of student achievement in the classroom. The Education Alliance's Family Involvement Grants were initially developed in 1989 to encourage educators and community members to develop ways for parents to become more involved with their children's education. Today, the grants focus on educators developing new approaches to

parental involvement and addressing the barriers to family involvement that exist in our society. The goal for the grant funding is to formulate a plan for long-term family involvement—resulting in parents as partners in the educational process.



Family Involvement Grants

encourage educators to discover innovative ways to increase the levels of family involvement at their school

The Education Alliance provides competitive \$1000 Family Involvement Grants with the support of the Union Carbide Foundation. Family Involvement Grants have funded projects such as: teacher visits to students' homes during the summer to do family activities, teaching reading strategies to parents, internet and computer training for parents, and a weekly after-school program for parents and students.

Increased family involvement in a public school has many long-term gains. When families are active in their children's education, children receive better grades, attend school more regularly, have a more positive attitude about school, and exhibit higher rates of graduation.

For the past fifteen years, our programs and initiatives have evolved to reflect changes in our culture and society, as well as changes in the public education system. This change is constant, keeping our programs and initiatives effective in addressing the combined needs of the education and business communities. We continue to provide opportunities for business to have an active role in our schools, introduce innovative learning opportunities for teachers and students, and provide pertinent research on topical issues affecting public education in West Virginia.

The Education Alliance is committed to identifying new ways to encourage business and community involvement with our schools. Our challenge is to find new ways to maximize their collaborative efforts to result in increased learning experiences for students. Program growth and additional statewide initiatives are within our reach. Working with our volunteers, contributors, business leaders, and our state and county governments, we will continue to deliver support, training, and programming throughout West Virginia. Together, we will overcome challenges to meet and exceed the collective goal set forth by our mission.



- Students from **Geary Elementary** in Roane County are presented an award by Governor and Mrs. Cecil Underwood for their first place entry following the Capitol City Pumpkin Drop, hosted by The Education Alliance and Rhone Poulenc



\$100,000 and above

Ashland Inc.
Claude Worthington Benedum Foundation

\$25,000 to \$99,999

Bell Atlantic-West Virginia, Inc.
Union Carbide Foundation
The UPS Foundation, Inc.

\$10,000 to \$24,999

AT&T West Virginia
American Electric Power
Anonymous
Public Education Network

\$5,000 to \$9,999

Allegheny Power Company
Bank One
The Daywood Foundation, Inc.
Eastern Associated Coal Corporation
Flexsys
Lawson W. Hamilton
The Bernard H. and Blanche E. Jacobson Foundation
One Valley Bank
The West Virginia Humanities Council and
The National Endowment for the Humanities

\$2,500 to \$4,999

CNG Transmission Corporation
ECA Foundation
Greater Kanawha Valley Foundation
The Huntington Foundation, Inc.
Matewan National Bank
Norfolk Southern Foundation
Rhone Poulenc AG Company
West Virginia Commission on the Arts/
WV Division of Culture and History
WV Dental Alliance
WV Press Association Foundation, Inc.

\$1,000 to \$2,499

Alcan Rolled Products Company
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(In honor of Lewis N. McManus)
Dickinson Properties, Ltd.
E.I. DuPont De Nemours & Company
Herscher Foundation
Hugh I. Shott, Jr. Foundation
Huntsman Chemical Corporation
International Industries, Inc.
Jackson & Kelly
Kimberly Industries, Inc.
Elizabeth M. Lewis
Merchants National Bank
Morrison Building
NGK Spark Plug Mfg., (USA), Inc.

\$1,000 to \$2,499 continued

Vivian G. Owens
Phillips Machine Service, Inc.
The Prudential Foundation
(In honor of Ann Brotherton)
Robinson & McElwee
Shell Oil Company Foundation
Robert L. Shell
Herchiel Sims, Jr.
L. Newton Thomas, Jr.
United National Bank
WesBanco, Inc.
West Virginia-American Water Company



• Thanks to Mini-Grant funding from The Education Alliance, these sixth grade students at **Sherman Elementary School** created a gardener's paradise called "The Comfort Zone"



A special thanks to the **Claude Worthington Benedum Foundation** for fifteen years of generous support.

\$500 to \$999

Michael A. Albert
 All-Care Medical Supply
 Bank of Raleigh
 Bayer Corporation
 Benson Truck Bodies
 C & E Corporation
 Camden-Clark Memorial Hospital
 Elizabeth H. and H. B. Wehrle Foundation
 Frank L. Smoot Charitable Foundation
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 J & S Machine Company
 Jostens Learning
 Kroger Company Foundation
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 Mrs. Ervin S. Queen
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 Troy Systems International
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\$250 to \$499

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 E.V. Bowman
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 Buckner Clay
 Crews and Associates
 Dominion Appalachian Development
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 Michael Sellards
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\$100 to \$249

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 Robert S. Kiss
 Robert Kosnoski
 LFK Enterprises, Inc.
 Mr. and Mrs. David E. Lowe
 Ed and Susan Maier
 Mansuetto Barnes Culler Advertising & PR
 Henry R. Marockie
 Brooks and Barbara McCabe
 Jim and Carol McKay
 Frank W. Miller, Jr.
 Mine Power Systems
 Al Modena
 Mr. and Mrs. Jeff Monroe
 Narco, Inc.
 Robert L. Neal
 Emily and Paul Papadopoulos
 Parkersburg Chamber of Commerce
 Community Foundation
 Peabody Holding Company, Inc.
 Personality Stations, Inc.
 Angus E. Peyton
 Pill & Pill
 Plateau Medical Center
 Pray Construction Company
 Progressive Bank N.A.-Wheeling
 H. David Ramsey, Jr.
 Real Estate Resources
 Ri-Ja Machining Company, Inc.
 Lee and Julie Robinson
 John R. Ruddick
 Dwight and Marilyn Sherman

Contributors

\$100 to \$249 cont.

Simpkins and Associates, AC
Wanda Simpkins
Hulett C. Smith
John Stebbins
Steel Works Community Federal Credit Union
Sally Susman
Norma Lee Sutherland
Lydotta Taylor
James R. Thomas
Blair Thompson
Monica Twyman
Tyler Mountain Water Co., Inc.
Charles H. Wagoner
Cecil I. Walker Machinery Company
Warwood Armature Repair Company
Rabbi Isadore Wein
West Virginia Glass Company, Inc.
West Virginia Hospital Association
Thomas C. Wetzel
Wharton Cadillac-Olds Company
H. Laban White
James W. Word, Jr.

Up to \$99

Mary Withers Abbot
Beckley Vision Center
Sallie Brevick
L. Thomas Bulla
Clayton Engineering Company
Stephen Crislip
Richard DeMoske
A.L. Emch
Daniel Foley
Joyce Foster
Ron Huiatt
Mary Humphrey
Mr. and Mrs. William A. James, III

Vicki L. Majic
Wayne Martin
James McClung
Robert McLean
Josephine Midkiff
Howard Neiberg
Robert E. O'Connor
Donna O'Neal
Pasquale Mira Italian Restaurant
Warren Point
Harvey D. Reisenweber
Riesbeck Food Markets
Rubberlite, Inc.
Security America, Inc.
William R. Sigmund
United Way of Monongalia & Preston
Counties, Inc.
Raymond Veon
J. Zeb Wright

In-Kind Contributions

Cellular One
Central Printing Company
Coca-Cola Bottling of Beckley
Corley Distributing
Intel Corporation
MetroNews Radio Network
Microsoft Corporation
Mountain Eagle Distributing
The Greenbrier
West Virginia Public Broadcasting Authority
Snowshoe Mountain Resort
West Virginia State Parks



INDEPENDENT AUDITORS' REPORT

The Board of Directors
The Education Alliance-Business And
Community For Public Schools, Inc.

We have audited the statements of financial position of The Education Alliance-Business And Community For Public Schools, Inc. (the Alliance) as of June 30, 1998 and 1997, and the related statements of changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Alliance's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alliance at June 30, 1998 and 1997, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Suttle & Stalnaker, PLLC

July 24, 1998

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 1998 AND 1997

| | 1998 | 1997 |
|--|-------------------|-------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and Cash Equivalents - partially restricted | \$ 69,766 | \$ 64,113 |
| Short-term Investments - partially restricted | 824,692 | 882,639 |
| Pledges and Grants Receivable - partially restricted | 7,398 | 13,700 |
| Other Current Assets | <u>12,363</u> | <u>15,703</u> |
| Total Current Assets | <u>914,219</u> | <u>976,155</u> |
| FURNISHINGS AND EQUIPMENT | | |
| Automobile | 15,756 | 15,756 |
| Office Equipment | <u>32,042</u> | <u>32,042</u> |
| | 47,798 | 47,798 |
| Less Accumulated Depreciation | <u>31,739</u> | <u>24,390</u> |
| | <u>16,059</u> | <u>23,408</u> |
| | <u>\$ 930,278</u> | <u>\$ 999,563</u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ 28,302 | \$ 11,575 |
| Accrued Payroll and Related Liabilities | 21,914 | 26,077 |
| Refundable Advances | <u>71,975</u> | <u>152,406</u> |
| Total Current Liabilities | <u>122,191</u> | <u>190,058</u> |
| NET ASSETS | | |
| Unrestricted | 381,659 | 414,854 |
| Temporarily Restricted | <u>426,428</u> | <u>394,651</u> |
| Total Net Assets | <u>808,087</u> | <u>809,505</u> |
| | <u>\$ 930,278</u> | <u>\$ 999,563</u> |

The Accompanying Notes Are An Integral
Part of These Financial Statements

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 1998 AND 1997

| | 1998 | | | 1997 | | |
|--|-------------------|---------------------------|-------------------|-------------------|---------------------------|-------------------|
| | Unrestricted | Temporarily Restricted | Total | Unrestricted | Temporarily Restricted | Total |
| Revenue and Support | | | | | | |
| Gifts and Grants | \$ 140,181 | \$ 734,835 | \$ 875,016 | \$ 121,346 | \$ 621,715 | \$ 743,061 |
| Special Events | 34,290 | - | 34,290 | 43,225 | - | 43,225 |
| Investment Income | <u>73,069</u> | <u>27,647</u> | <u>100,716</u> | <u>36,320</u> | <u>21,366</u> | <u>57,686</u> |
| Total Revenue | 247,540 | 762,482 | 1,010,022 | 200,891 | 643,081 | 843,972 |
| Net Assets Released from Restrictions | <u>730,705</u> | <u>(730,705)</u> | - | <u>775,191</u> | <u>(775,191)</u> | - |
| Total Support and Revenue | <u>978,245</u> | <u>31,777</u> | <u>1,010,022</u> | <u>976,082</u> | <u>(132,110)</u> | <u>843,972</u> |
| Expenses | | | | | | |
| Program Services: | | | | | | |
| Classroom Minigrants | 88,018 | - | 88,018 | 71,783 | - | 71,783 |
| Partnerships in Education | 61,420 | - | 61,420 | 75,088 | - | 75,088 |
| Read Aloud | 66,077 | - | 66,077 | 69,104 | - | 69,104 |
| Education Policy Research | 200,048 | - | 200,048 | 172,461 | - | 172,461 |
| Business Council for Education | 138,362 | - | 138,362 | 139,251 | - | 139,251 |
| Education Reform | 134,746 | - | 134,746 | 147,906 | - | 147,906 |
| School Health | 63,001 | - | 63,001 | 39,700 | - | 39,700 |
| Other | <u>96,265</u> | - | <u>96,265</u> | <u>68,103</u> | - | <u>68,103</u> |
| Total Program Services | 847,937 | - | 847,937 | 783,396 | - | 783,396 |
| Management and General | 62,540 | - | 62,540 | 45,315 | - | 45,315 |
| Fund Raising | <u>100,963</u> | - | <u>100,963</u> | <u>97,520</u> | - | <u>97,520</u> |
| Total Expense | <u>1,011,440</u> | - | <u>1,011,440</u> | <u>926,231</u> | - | <u>926,231</u> |
| CHANGE IN NET ASSETS | (33,195) | 31,777 | (1,418) | 49,851 | (132,110) | (82,259) |
| Net Assets, Beginning of Year | <u>414,854</u> | <u>394,651</u> | <u>809,505</u> | <u>365,003</u> | <u>526,761</u> | <u>891,764</u> |
| Net Assets, End of Year | <u>\$ 381,659</u> | <u>\$ 426,428</u> | <u>\$ 808,087</u> | <u>\$ 414,854</u> | <u>\$ 394,651</u> | <u>\$ 809,505</u> |

The Accompanying Notes Are An Integral
Part of These Financial Statements

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 1998 AND 1997

| | <u>1998</u> | <u>1997</u> |
|--|------------------|------------------|
| Cash From Operations | | |
| Change in Net Assets | \$ (1,418) | \$ (82,259) |
| Add Adjustments Not Affecting Cash: | | |
| Depreciation | 7,349 | 8,737 |
| Investment Income Credited Directly to Investment Accounts | (92,053) | (46,640) |
| Decrease (Increase) in Operating Assets | | |
| Pledges Receivable | 6,302 | 15,408 |
| Other Current Assets | 3,340 | (221) |
| Increase (Decrease) in Operating Liabilities | | |
| Accounts Payable | 16,727 | (39,875) |
| Payroll and Related Liabilities | (4,163) | 7,156 |
| Refundable Advances | <u>(80,431)</u> | <u>152,406</u> |
| Cash Provided (Used) by Operations | <u>(144,347)</u> | <u>14,712</u> |
| Cash From Investing Activities | | |
| Purchases of Equipment | - | (13,066) |
| Sales of Short-Term Investments | 150,000 | - |
| Purchases of Short-Term Investments | - | (125,000) |
| Cash Provided (Used) by Investing Activities | <u>150,000</u> | <u>(138,066)</u> |
| Cash From Financing Activities | | |
| Repayment of Long-Term Debt | - | (2,489) |
| Cash Used by Financing Activities | - | (2,489) |
| INCREASE (DECREASE) IN CASH | 5,653 | (125,843) |
| Cash and Cash Equivalents, Beginning of Year | <u>64,113</u> | <u>189,956</u> |
| Cash and Cash Equivalents, End of Year | <u>\$ 69,766</u> | <u>\$ 64,113</u> |

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

| | | |
|----------------------------|-------------|--------------|
| Cash Payments for Interest | <u>\$ -</u> | <u>\$ 61</u> |
|----------------------------|-------------|--------------|

The Accompanying Notes Are An Integral
Part of These Financial Statements

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 1998 AND 1997

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL -- The Education Alliance-Business And Community For Public Schools, Inc. (the Alliance), formerly the West Virginia Education Fund, Inc., was established in 1983 as a non-stock corporation under the laws of the State of West Virginia. The primary purpose of The Education Alliance-Business And Community For Public Schools, Inc. is to advance the quality of public education in West Virginia schools.

The programs of the Alliance consist of Classroom Minigrants, Partnerships in Education, Read Aloud, Business Council for Education, Education Policy Research, Education Reform, School Health, and various other programs. The Classroom Minigrants program awards grants to deserving teachers to support their innovative projects for which funding would otherwise be unavailable. In the Partnerships in Education program, schools and businesses or other private sector organizations work together for a cooperative, mutually beneficial relationship. The Read Aloud program teaches children the joy of reading. The Education Policy Research program is designed to explore core policy issues in public school education. The Business Council for Education is an effort, in conjunction with the National Business Roundtable, to improve public education. The Education Reform program provides executive level support to the Benedum Center for Education Reform at West Virginia University. The School Health program is a collaborative initiative that encourages schools to develop broad-based programs that address student health issues. Funding for these programs is principally by gifts and grants from individuals, corporations, foundations, and others, with approximately 40% to 50% received from the Benedum Foundation.

BASIS OF ACCOUNTING -- The accompanying financial statements have been prepared on the accrual basis of accounting.

UNRESTRICTED NET ASSETS -- Unrestricted net assets are those funds presently available for use by the Alliance at the discretion of the Board of Directors to carry out the mission and purposes of the Alliance.

TEMPORARILY RESTRICTED NET ASSETS -- Temporarily restricted net assets are comprised of funds which are presently available for use but expendable only for purposes specified by the donor.

USE OF ESTIMATES -- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 1998 AND 1997

NOTE 1 -- NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

INCOME TAX STATUS -- The Alliance is classified by the Internal Revenue Service as a nonprofit organization under the provisions of Code Sec. 501(c)(3), and is exempt from income taxes on income derived from its nonprofit activities. In addition, the Alliance is classified as an organization other than a private foundation.

CASH AND CASH EQUIVALENTS -- Substantially all cash is deposited in an interest bearing account with a large West Virginia bank. The amount in this account often substantially exceeds the federally insured maximum of \$100,000. Management believes the bank is financially sound and there is little credit risk associated with the deposits. For purposes of reporting cash flows, cash and cash equivalents are defined as cash deposits.

FURNISHINGS AND EQUIPMENT -- Donated furnishings and equipment are not recorded by the Alliance, due to the insignificance of the dollar amount and the difficulty of determining value. Purchased furniture and equipment over \$500 are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to five years.

GRANTS AND AWARDS EXPENSE -- Unconditional grants and awards are recorded as expense in the period in which they are approved by the Board of Directors. Conditional grants and awards are recorded as expense when disbursed or when the conditions have been satisfied.

REVENUE RECOGNITION -- Contributions generally are recognized as income in the period in which they are received and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions and grants with donor imposed conditions are reported as revenue when qualifying expenses have been incurred or other conditions have been substantially met. Cash received but not yet expended for these conditional grants is recorded as refundable advances. Use of such cash is restricted to the purposes of the grant or contribution. Unrestricted grants and contributions are recorded as revenue in the period received. Restricted grants and contributions which are received and whose restrictions are met within the same reporting period are reported as unrestricted.

FUNCTIONAL ALLOCATION OF EXPENSES -- The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

RECLASSIFICATIONS -- Certain amounts in the 1997 financial statements have been reclassified to conform with the 1998 presentation.

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 1998 AND 1997

NOTE 2 -- INVESTMENTS

Short-term investments are stated at market value, and consist primarily of stocks and U.S. Treasury obligations. All short-term investments are held at one national brokerage firm. The net appreciation (depreciation) in investments are reported as investment income (loss) in the Statement of Changes in Net Assets. Investment revenues are reported net of related expenses such as custodial fees, which are not significant. Market values, determined by quoted market prices at June 30, 1998 and 1997, are summarized as follows:

| | <u>1998</u> | <u>1997</u> |
|---------------------------|-------------------|-------------------|
| Money Market Funds (Cash) | \$ 22,304 | \$ 273,249 |
| Common Stocks | 310,414 | - |
| U.S. Treasury Obligations | <u>491,974</u> | <u>609,390</u> |
| | <u>\$ 824,692</u> | <u>\$ 882,639</u> |

Investment income and net gains (losses) on investments, which are reported as investment income in the accompanying financial statements, were as follows for the years ended June 30, 1998 and 1997:

| | <u>1998</u> | <u>1997</u> |
|---------------------------------------|-------------------|------------------|
| Interest and Dividends | \$ 49,532 | \$ 48,264 |
| Net Gains (Losses) on Investments | <u>42,521</u> | <u>(1,624)</u> |
| | 92,053 | 46,640 |
| Interest on Cash and Cash Equivalents | <u>8,663</u> | <u>11,046</u> |
| | <u>\$ 100,716</u> | <u>\$ 57,686</u> |

NOTE 3 -- REFUNDABLE ADVANCES

As described in Note 1, the Alliance reports conditional grants received but not yet expended as refundable advances. Cash received is restricted to expenditures that satisfy the grant conditions. If the funds advanced are not expended for the specified purpose and within the specified time period they will be returned to the grantor. Refundable advances at June 30, 1998, and 1997 consist of the following:

| | <u>1998</u> | <u>1997</u> |
|--|------------------|-------------------|
| Benedum Foundation - Education Reform | \$ 11,422 | \$ 1,215 |
| Benedum Foundation - Education Policy Research | 55,553 | 151,191 |
| Union Carbide Foundation - Family Involvement | <u>5,000</u> | - |
| | <u>\$ 71,975</u> | <u>\$ 152,406</u> |

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 1998 AND 1997

NOTE 4 -- TEMPORARILY RESTRICTED NET ASSETS

Temporarily Restricted Net Assets at June 30, 1998 and 1997, consists of gifts and grants for the following programs:

| | <u>1998</u> | <u>1997</u> |
|---|-------------------|-------------------|
| Business Council for Education | \$ 283,535 | \$ 257,776 |
| Read Aloud | 24,255 | 63,238 |
| School Health Initiative | 27,142 | 31,466 |
| College Bound | 10,732 | 89 |
| Bell Atlantic - Instructional Goals Objective (IGO) | 20,800 | - |
| Bell Atlantic Scholarships | 30,271 | 28,136 |
| Other | 29,693 | 13,946 |
| | <u>\$ 426,428</u> | <u>\$ 394,651</u> |

NOTE 5 -- GRANTS AWARDED BUT NOT YET RECEIVED

The Alliance has been awarded a grant from the Benedum Foundation for Education Policy Research with a total grant award of \$790,170 allocated as follows: \$246,591, July 1, 1997 through June 30, 1998; \$266,056, July 1, 1998 through June 30, 1999; and \$277,523, July 1, 1999 through June 30, 2000. Any portion of the proceeds of the grant not used for the purposes of the grant in the first two years may be carried over successively to the remaining year; however, the proceeds remaining at June 30, 2000 will be reimbursable to the Benedum Foundation. In accordance with SFAS 116, "Accounting for Contributions Received and Contributions Made," these grants are considered conditional promises to give; therefore, additions to net assets are not recorded until all conditions have been met and/or cash has been received. At June 30, 1998, \$543,579 had not yet been received.

NOTE 6 -- OPERATING LEASES

The Alliance leases its office space under an operating lease which expires on April 30, 2000. Total rent expense for the years ended June 30, 1998 and 1997 was \$41,822 and \$40,971, respectively. Minimum future rental payments under this lease are as follows: 1999 - \$42,065; and 2000 - \$32,096.

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 1998 AND 1997

NOTE 7 -- PENSION PLAN

The Alliance has a defined contribution pension plan for all full-time employees. Monthly contributions equal to 8% of an employee's monthly compensation are required under the Plan. Contributions are funded as accrued. Total expense was \$31,445 for 1998 and \$30,736 for 1997.

NOTE 8 -- AGENCY TRANSACTIONS

During the year ended June 30, 1998 the Alliance received an equipment contribution of pentium computer processors with a fair market value of \$1,849,224. The West Virginia Department of Education was the beneficiary specified by the donor. Since the Alliance had no discretion over the use of the assets, the transaction was treated as an agency transaction in accordance with SFAS 116, "Accounting for Contributions Received and Made." Therefore, the contribution is not reflected in the accompanying Statement of Changes in Net Assets.

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 1998

| | Program Services | | | | | | | | | | Total Program Services | Fund Raising | General and New Program Development | Total |
|---|-------------------------|-----------------------------------|---------------|---------------------------------|---|---------------------|------------------|-----------|------------|------------|------------------------------|-----------------|--|-------|
| | Classroom Minigrants | Partner- ships in Education | Read Aloud | Education Policy Research | Business Council for Education | Education Reform | School Health | Other | | | | | | |
| GRANTS & AWARDS | \$ 55,890 | \$ 6,000 | \$ - | \$ - | \$ - | \$ - | \$ 9,250 | \$ 36,187 | \$ 107,327 | \$ - | \$ - | \$ - | \$ 107,327 | |
| PROGRAM MANAGEMENT & SERVICES | | | | | | | | | | | | | | |
| Payroll & Related Expenses | 19,019 | 29,727 | 40,092 | 137,371 | 72,395 | 114,406 | 34,155 | 37,667 | 484,832 | 68,310 | 41,303 | 594,445 | | |
| Rent | 3,935 | 2,886 | 5,419 | 12,854 | 8,688 | - | 1,506 | 2,429 | 37,717 | 2,091 | 2,014 | 41,822 | | |
| Supplies | 1,071 | 3,406 | 2,937 | 3,317 | 1,771 | 17 | 1,380 | 2,121 | 16,020 | 1,015 | 1,199 | 18,234 | | |
| Telephone | 439 | 854 | 1,595 | 1,487 | 2,334 | 374 | 1,421 | 1,426 | 9,930 | 1,102 | 722 | 11,754 | | |
| Printing | 2,307 | 3,028 | 4,783 | 22,492 | 1,961 | - | 1,265 | 7,564 | 43,400 | 2,526 | 308 | 46,234 | | |
| Postage | 1,447 | 1,788 | 682 | 5,500 | 962 | 87 | 1,305 | 1,065 | 12,836 | 1,302 | 2,012 | 16,150 | | |
| Travel | 1,166 | 3,670 | 6,399 | 2,037 | 3,763 | 12,685 | 1,726 | 957 | 32,403 | 2,284 | 4,056 | 38,743 | | |
| Accounting Fees | 2,065 | 1,305 | 1,750 | 2,030 | 1,852 | - | 398 | 1,278 | 10,678 | 1,025 | 1,428 | 13,131 | | |
| Consultant Fees | - | 75 | 300 | 10,823 | 150 | - | 75 | - | 11,423 | 1,436 | 3,206 | 16,065 | | |
| Meetings | - | 732 | 998 | 500 | 43,376 | - | 100 | - | 45,706 | 9,899 | 1,302 | 56,907 | | |
| Other | 679 | 7,949 | 1,122 | 1,637 | 1,110 | 7,177 | 10,420 | 5,571 | 35,665 | 9,973 | 4,990 | 50,628 | | |
| TOTAL PROGRAM MANAGEMENT & SERVICES | 32,128 | 55,420 | 66,077 | 200,048 | 138,362 | 134,746 | 53,751 | 60,078 | 740,610 | 100,963 | 62,540 | 904,113 | | |
| TOTAL EXPENSES | \$ 88,018 | \$ 61,420 | \$ 66,077 | \$ 200,048 | \$ 138,362 | \$ 134,746 | \$ 63,001 | \$ 96,265 | \$ 847,937 | \$ 100,963 | \$ 62,540 | \$ 1,011,440 | | |

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 1997

| | Program Services | | | | | | | | | | Total Program Services | Fund Raising | General and New Program Development | Total |
|---|-------------------------|-----------------------------------|---------------|---------------------------------|---|---------------------|------------------|-----------|------------|-----------|------------------------------|-----------------|--|-------|
| | Classroom Minigrants | Partner- ships in Education | Read Aloud | Education Policy Research | Business Council for Education | Education Reform | School Health | Other | | | | | | |
| GRANTS & AWARDS | \$ 45,168 | \$ 6,000 | \$ - | \$ - | \$ 7,865 | \$ - | \$ 7,375 | \$ 27,218 | \$ 93,626 | \$ - | \$ - | \$ 93,626 | | |
| PROGRAM MANAGEMENT & SERVICES | | | | | | | | | | | | | | |
| Payroll & Related Expenses | 14,755 | 45,662 | 41,316 | 116,595 | 66,888 | 122,963 | 25,719 | 9,896 | 443,794 | 67,273 | 26,861 | 537,928 | | |
| Rent | 3,851 | 4,671 | 5,818 | 12,086 | 8,399 | - | 1,434 | 410 | 36,669 | 2,235 | 2,067 | 40,971 | | |
| Supplies | 942 | 2,951 | 7,097 | 3,670 | 1,685 | 636 | 1,395 | 798 | 19,174 | 907 | 745 | 20,826 | | |
| Telephone | 505 | 1,599 | 1,750 | 1,611 | 3,168 | 241 | 1,034 | 1,216 | 11,124 | 1,162 | 611 | 12,897 | | |
| Printing | 1,411 | 5,404 | 880 | 18,429 | 1,840 | - | 625 | 913 | 29,502 | 2,148 | 259 | 31,909 | | |
| Postage | 1,879 | 1,899 | 936 | 4,409 | 1,740 | 136 | 854 | 660 | 12,513 | 1,341 | 980 | 14,834 | | |
| Travel | 413 | 3,787 | 2,477 | 7,032 | 2,217 | 16,062 | 599 | 336 | 32,923 | 935 | 3,762 | 37,620 | | |
| Accounting Fees | 1,692 | 1,686 | 1,567 | 1,692 | 1,692 | - | - | 794 | 9,123 | 710 | 1,283 | 11,116 | | |
| Consultant Fees | 239 | 269 | 239 | 1,965 | 296 | - | 205 | 15,963 | 19,176 | 942 | - | 20,118 | | |
| Meetings | 173 | 56 | 389 | 440 | 40,040 | 60 | 292 | 3,829 | 45,279 | 8,613 | - | 53,892 | | |
| Other | 755 | 1,104 | 6,635 | 4,532 | 3,421 | 7,808 | 168 | 6,070 | 30,493 | 11,254 | 8,747 | 50,494 | | |
| TOTAL PROGRAM MANAGEMENT & SERVICES | 26,615 | 69,088 | 69,104 | 172,461 | 131,386 | 147,906 | 32,325 | 40,885 | 689,770 | 97,520 | 45,315 | 832,605 | | |
| TOTAL EXPENSES | \$ 71,783 | \$ 75,088 | \$ 69,104 | \$ 172,461 | \$ 139,251 | \$ 147,906 | \$ 39,700 | \$ 68,103 | \$ 783,396 | \$ 97,520 | \$ 45,315 | \$ 926,231 | | |



INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

The Board of Directors
The Education Alliance-Business And
Community For Public Schools, Inc.

Our audits were made for the purpose of expressing an opinion on the basic financial statements for the years ended June 30, 1998 and 1997, taken as a whole. The additional financial information included on pages 34 and 35 is presented for purposes of additional analysis and is not a required part of the financial statements of The Education Alliance-Business And Community For Public Schools, Inc. The information contained in the schedules of functional expenses for the years ended June 30, 1998 and 1997, on pages 34 and 35, has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the years ended June 30, 1998 and 1997, taken as a whole.

Suttle & Stalnaker, PLLC

July 24, 1998

The Education Alliance Staff

John Corbett
Executive Director

Mary Kay Bond
Program Specialist, Read Aloud West Virginia

Ellen Goodwin
Director of Development

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