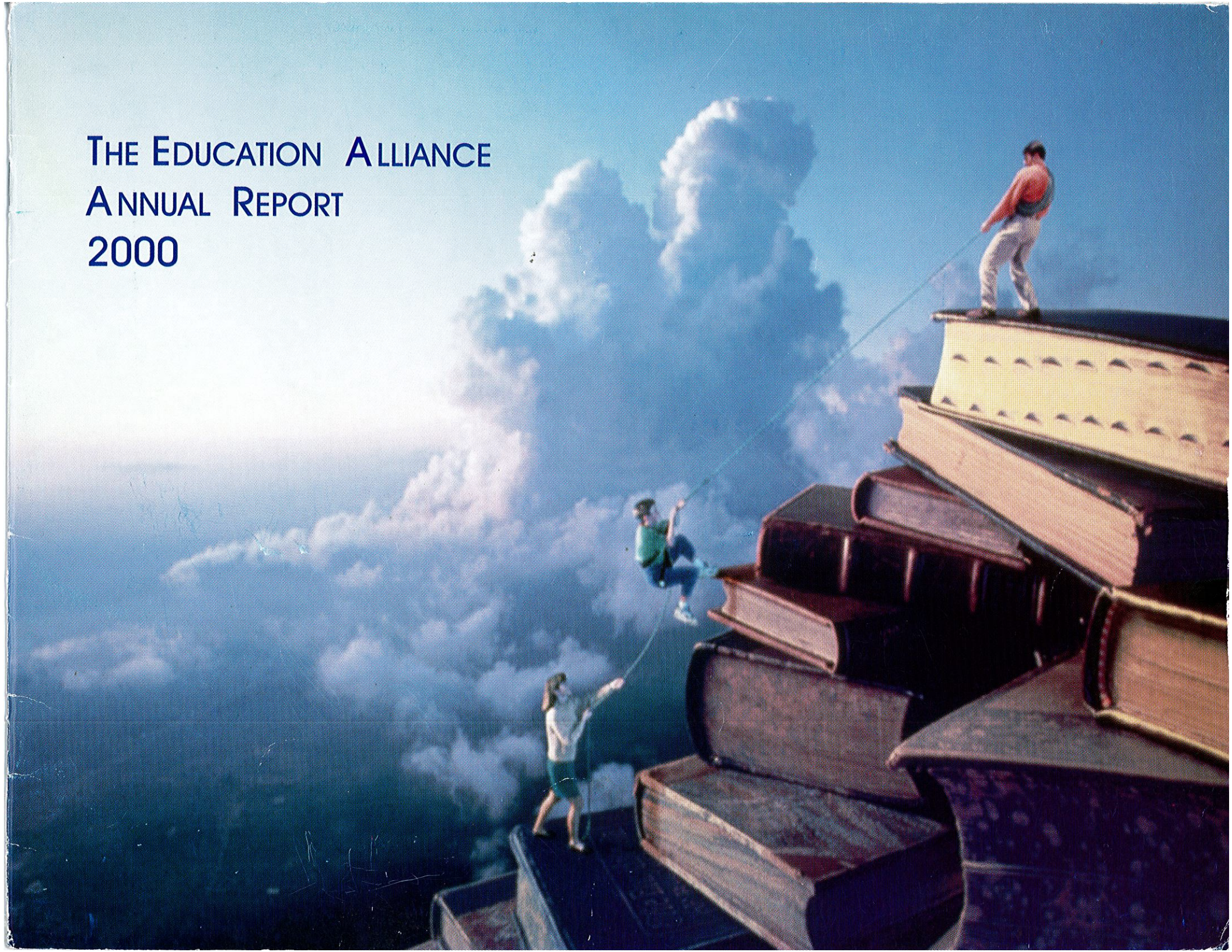


THE EDUCATION ALLIANCE  
ANNUAL REPORT  
2000



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Charleston

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**L. Newton Thomas, Jr. \***  
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*\* Director Emeriti*

*\*\* Ex-Officio*

## PRESIDENT'S MESSAGE

Dear Friends,

In 1983, a group of business leaders with a common vision for an improved education system joined together to form The Education Alliance (originally known as the West Virginia Education Fund). Our belief then, as it remains now, was that schools, teachers, students and the community all benefit when business representatives and community members become involved in our public schools. In the years since, the Alliance has enjoyed many successes, and we are pleased to have made many valuable contributions to help schools across West Virginia. We are proud to have served hundreds of thousands of children, educators and community members during the past eighteen years, and we are privileged to have worked with so many talented and committed professionals across the state.

As our work has continued, our programs and services have expanded, and we are encouraged that business and community leaders are increasingly focusing their attention on the needs of our schools and working with us to address them. One thing we know for certain – West Virginia's public schools represent our single greatest opportunity to build a brighter future for West Virginia.

Since our founding, the Alliance has provided over \$1.3 million in various grants and awards to schools and teachers supporting worthwhile programs. Almost 70,000 students have visited a college or university campus through our Day on Campus program. Read Aloud West Virginia has been featured in national publications and regularly reaches more than 60,000 students across West Virginia.



*Michael A. Albert  
President, The Education Alliance*

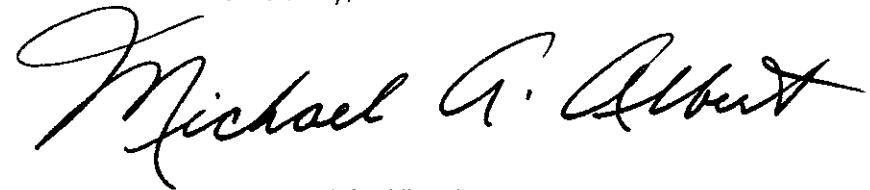
More than 1,500 businesses participate in our Partnerships in Education program, which is the largest of its kind in the nation, with 100% of West Virginia's schools linked with a business partner. Our Education Policy Research Institute has published several highly regarded studies that have been used by education policy makers. The Business Council for Education has supported various school reform efforts including assisting Local School Improvement Councils in their work, helping make academic standards more rigorous, and strengthening West Virginia's school accountability system.

While it is enjoyable to focus on our successes, our Board of Directors is keenly aware that our work is far from complete. We recognize that as our organization matures and evolves, we need to develop and implement new program ideas that serve the needs of West Virginia's education system. We are actively exploring these ideas and will pursue them diligently during the upcoming year. At the same time, we are taking a careful look at each of our existing programs to determine how we can enhance our efforts.

As you will read in the pages that follow, your support has helped put teachers' innovative ideas into action, strengthened school partnership and volunteer programs, encouraged students to think about college earlier, and provided useful information to help policy makers make informed decisions – all at no cost to local school systems.

Again, thanks to all of our supporters for their assistance and encouragement. We appreciate your continued support. And on behalf of West Virginia's schoolchildren, thank you.

Sincerely,



Michael A. Albert  
President

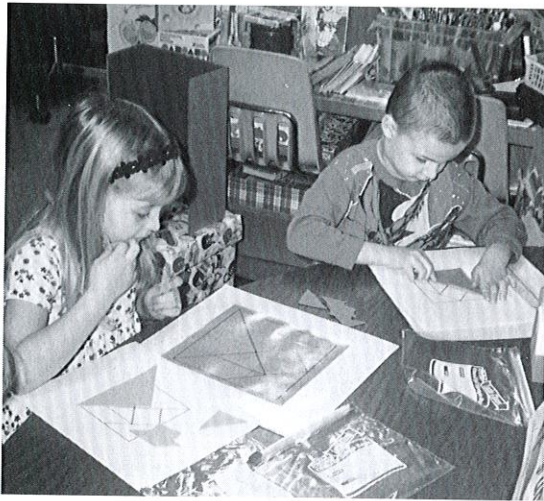


*Past Education Alliance Presidents  
Lewis McManus, Newton Thomas,  
and Herchiel Sims*

## MINI-GRANTS FOR CLASSROOM PROJECTS

The Mini-Grants for Classroom Projects program provides funding for teachers to conduct exciting and innovative projects in their classrooms when public funding is not available. This successful program has been a part of The Education Alliance for 18 years, and offers grants up to \$500 to teachers with projects that are designed to add an extra boost to their classroom studies.

Eight regional Mini-Grant Review Committees meet each year to evaluate grant applications and make selections based on the originality and educational value to the students of each project. In 1999, \$52,000 was awarded in Mini-Grants to 182 teachers from across the state.



*Students in Deborah Willis' class at Logan Elementary work as part of the Mini-Grant Project titled, "Speaking with Math".*

Mini-Grants help teachers enhance their instruction and make learning fun. In one teacher's words, *"This project was the most fun and successful learning experience in my classroom this year! Students loved every minute! Thank you for giving me this wonderful teaching experience!!"*

In the past year, classroom teachers have turned their students into authors, scientists, and horticulturists, taken them "down on the farm," around the world, and soaring to the moon. They have studied butterflies and corn snakes, built robots and visited George Washington.

Dental Health Mini-Grants, sponsored by the West Virginia Dental Alliance, are also available for classroom teachers and school nurses who want to add activities that motivate their students to practice proper dental hygiene.

As one teacher commented, *"Our high school has grown from one theater class to three theater classes next year! I sincerely feel that winning the grant gave the students and me the confidence to 'make things happen.'"*

Success stories like these are made possible thanks to our Mini-Grants for Classroom Projects major corporate sponsor, Columbia Gas Transmission, and other supporters, West Virginia Humanities Council, TOYOTA Motor Manufacturing West Virginia, Inc., WV Commission on the Arts & the National Endowment for the Arts, and the Huntington Foundation.

# FAMILY INVOLVEMENT GRANTS

The Education Alliance's Family Involvement Grants are offered because we believe that all families have strengths, important perspectives about their children, and care about their children's education. Funded by the Union Carbide Foundation, the program annually provides 10 grants of \$1,000 each to support school family involvement efforts. The grants help schools reach out to families; involve parents in decisions that affect their children's learning and achievement; increase communication between schools and families; and create strategies to help students achieve academically.

The Family Involvement Grants are awarded based on the national standards for Family Involvement programs. Grant applications must address at least one of the following six standards:

## Communicating

Consistent, two-way communication between home and school

## Parenting

Parenting skills are promoted and supported

## Student Learning

Families play an integral role in assisting student learning

## Volunteering

Families are welcome in the school and their assistance and support are encouraged

## Decision Making

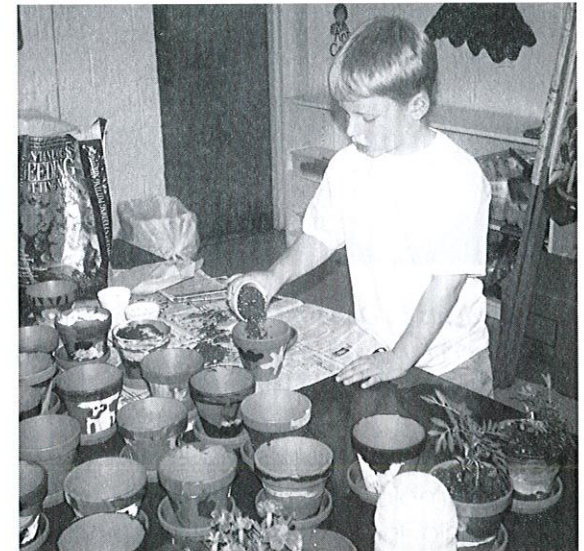
Families are full partners in the decisions that affect children and families

## Community Collaboration

Community resources are used to strengthen schools, families, and student learning

The Education Alliance is pleased to support these efforts because research proves that family and parental involvement is one of the most important factors affecting student learning. When family members are active in the educational experiences of their children, the results range from higher academic achievement and better communication to more defined goals for learning.

The more parents can show their children that they value education, the more the experience means to the child. Building an active, open climate for learning and communicating means that education becomes a more enriching experience for the entire family.



*A Lewisburg Elementary student works as part of Diane Gillespie's "Kindergarten Horticulturists" Mini-Grant Project.*

## PARTNERSHIPS IN EDUCATION

Since 1984, thousands of West Virginia's K-12 students have benefited from the involvement of business partners in their schools. The Partnerships In Education program links individual schools with businesses or other community organizations in cooperative and mutually beneficial relationships. These relationships promote cooperation between the public schools and business people to work together on behalf of students.



*A representative from the 167<sup>th</sup> Airlift Wing of the WV Air National Guard shares information with students from Valley View Elementary as part of their Gold Star Award winning Partnership in Education.*

The objectives of the program are:

- To bring business people into the schools to work with students, teachers, and administrators on projects that educators think will be helpful and business people feel qualified to accomplish;
- To give students and teachers a realistic picture of the business world and of the preparation students need for success;
- To supplement classroom studies with relevant learning experiences in business and industry; and
- To give business people a better understanding of the education system.

During 2000, the program continued to expand as hundreds of new partnerships were formed and existing partnerships implemented new programs building on their past success. Likewise the Alliance's support of the program has continued to evolve as we move away from a focus on recruiting new business partners to more of a technical assistance role helping existing partnerships become more effective. As part of these efforts we have published a new handbook for Partnerships in Education, which describes the program and provides helpful hints and suggestions to help Partnerships succeed. Our staff has also helped coordinate countywide workshops where school and business representatives have the opportunity to share ideas together to enhance their efforts.

In addition, we continue to recognize those Partnerships that have excelled and share their success with others. Gold Star Awards were presented to six outstanding Partnerships in Education again this year, and we continue to be impressed by the success of the award-winning partnerships and others across the state. Their success encourages us to maintain our efforts, eagerly anticipating the continued benefits of Partnerships in Education helping students in the years to come.

## READ ALOUD WEST VIRGINIA

On any given school day you can find hundreds of Read Aloud volunteers throughout West Virginia sharing a love of reading with children. In fact, during the 1999-2000 school year, our 5,000 trained volunteers shared their books and their time with over 60,000 children in more than 400 schools statewide. The primary focus of the program continues to involve recruiting and training community volunteers to visit classrooms on a regular basis for the purpose of providing a "live commercial" for reading. These dedicated volunteers, who come from all walks of life and age groups, become role models for the children, developing and encouraging a desire to read.

Through the books our volunteers read, students are introduced to a wide variety of literature and begin to view reading as a pleasurable activity that is not confined to school. They begin to understand that the adults in their families and community--parents, grandparents, salesclerks, bank tellers, businessmen and women, doctors, lawyers, retirees--read for knowledge, but also for pleasure.

The Education Alliance is dedicated to the growth of Read Aloud West Virginia and offers both material and technical assistance to a network of county volunteer organizations. Highlights of our efforts during the past year include our 7th Annual State Conference — featuring acclaimed children's poet Jack Prelutsky and Appalachian storyteller and author Donald Davis. The conference brought together over 400 teachers, volunteers and parents.

In addition, our successful Book Trunk program continued to provide needed books supporting reading programs across the state. The Alliance also continued to work with the WV Department of Education and local school systems to provide staff development opportunities and training sessions for the thousands of Read Aloud volunteers statewide. We also published a brochure entitled, ***"The Greatest Gifts You Can Give Your Baby,"*** a brochure encouraging parents to read to children beginning in infancy. Finally, as in the past, the works of individual authors were highlighted in various Author Weeks sponsored by local organizations in Mercer, Monongalia and Kanawha counties. Materials developed by volunteers in these counties were shared with other county programs and utilized by teachers in individual classrooms across the state.

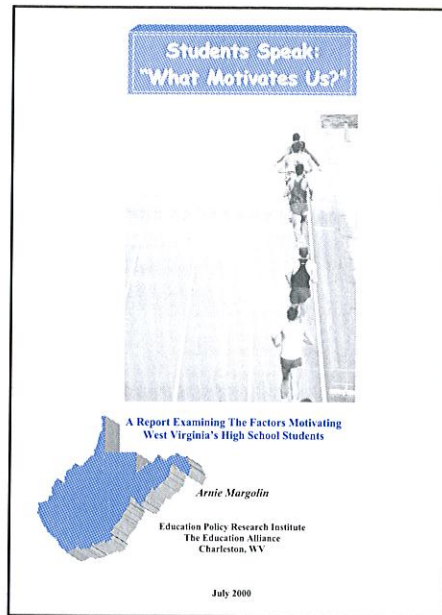


*Read Aloud volunteer, Bill Patton, reads to second graders at Spring Hill Elementary.*



# EDUCATION POLICY RESEARCH INSTITUTE

As an initiative of The Education Alliance, the Education Policy Research Institute conducts 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 that reflect national trends and the current public and political concerns about public education in our state.



During the past year, the Education Policy Research Institute published the study, "Students Speak: What Motivates Us", which has been received very favorably. The study examines and analyzes student's motivation toward higher education. More than 200 hours of interviews with students and their families, focus groups and surveys of students and educators led to a series of findings and public policy considerations.

Since its publication, the study has been used by guidance counselors, higher education officials, and other school representatives across the state who are interested in motivating students to become more interested in their education. In Preston County, Faculty Senate representatives met to consider the study's findings and explore different strategies to improve student motivation.

In addition, our previous studies continue to be used by state and local policy makers as they consider various issues ranging from the supply and demand for new teachers, to school funding issues.

As the year concludes, we are in the process of completing a comprehensive examination of all of our research efforts. With the support of a \$15,000 grant from the Claude Worthington Benedum Foundation, we are carefully examining our efforts and exploring how the Institute should be organized in order to best fulfill its goals and mission. As part of this effort, we are reviewing other education policy research initiatives across the country and hope to learn from their experiences.

We are eager to use the results of this examination to help us make changes necessary to ensure that we achieve our goals to provide timely and credible educational research, increase the use of our research findings and to have a positive influence on county and state level decision-making and policy changes in regard to public education.

# BUSINESS COUNCIL FOR EDUCATION

The Business Council for Education is a select group of businesses committed to improving the quality of education in West Virginia. The Business Council's work promotes the following "Nine Essential Components of a Successful School System":

- ☆ Rigorous Standards
- ☆ Reliable Assessments
- ☆ School Accountability
- ☆ Professional Development
- ☆ Parent Involvement
- ☆ School Autonomy
- ☆ Educational Technology
- ☆ Learning Readiness
- ☆ School Safety

Since its inception nine years ago, the Business Council for Education has worked with state and local education leaders to support various school reform efforts in the state.

Working to help Local School Improvement Councils (LSICs) become more effective in identifying and addressing the needs of their schools has remained a priority of the Business Council. Recognizing that LSICs provide all major stakeholders in a school community an opportunity to be included in decisions affecting their schools, the Business Council works to provide training, technical support and materials to these important groups. As part of these efforts, the Business Council again sponsored a statewide conference for LSICs in conjunction with the Office of Education First at the WV Department of Education. More than 300 parents, teachers, business representatives, students, school service personnel, and school administrators attended this year's conference.

Once again the Business Council awarded \$1,000 LSIC Progress Awards on a competitive basis to the most successful LSICs in West Virginia. Winners of the Progress Award were chosen for their outstanding efforts to make significant improvements at their school using teamwork, innovation and community involvement. Over the last seven years, more than \$60,000 has been awarded to exceptional LSICs statewide through Progress Awards.

Business Council for Education members include: American Electric Power, Ashland Inc., Bank One, Union Carbide and Verizon West Virginia.



*John Ruddick, Director of Government Relations for Verizon, presents John Corbett with Verizon's annual contribution in support of the Business Council for Education.*

## DAY ON CAMPUS

career opportunities, along with skills and knowledge that require building a solid academic foundation early.

four through nine to visit a West Virginia college, university, provides financial assistance up to \$100 per school per year for bus or community organizations. At the beginning of each year, the procedures.

From 1988 to 2000 school year over 6,000 students participated in visits. Since the program began in 1988 more than 69,000 students have visited a public and private college in West Virginia participates in the program as well as the vocational and technical campuses throughout the state.

Students are encouraged to learn more about the advantages of attending college and gain a wide awareness that attending college is feasible.

*"The program has motivated our students to set goals, work diligently and strive for excellence. I am so thankful The Education Center's exposure to higher education is important. Thank you for making this a great program."*

Lesley Garton-White  
Lewis County High School

## SPECIAL EVENTS

Throughout the year, the Alliance sponsors various special events in conjunction with our work to promote business and community involvement in West Virginia's public schools. Two events that have become very successful during the past few years are the annual Graduates of Distinction Recognition Ceremony and the Capital City Pumpkin Drop. In addition, the Alliance continues to have enjoyable fundraising events throughout the year, including our Annual Golf Classic and the Raleigh County Line Dance to help generate needed funding support for our programs and services.

Sponsored by Bank One, the **Graduates of Distinction** program was established in 1999 to recognize and honor graduates of West Virginia public schools who have attained national or international acclaim in their professions and for their loyalty to West Virginia. The Second Annual Graduates of Distinction ceremony was held on June 2 at the Charleston Marriott.

Two prominent West Virginians were inducted in the Graduates of Distinction Class of 2000: Vivien Woofter, Director, Interior Planning and Design Division, Office of Foreign Buildings, U.S. Department of State and a graduate of Clay County High School; and David Selby, actor, and graduate of Morgantown High School. During the ceremony, both honorees spoke with great regard for their experiences in West Virginia's public schools and their importance to their success. Additionally, both spoke at length with student representatives from their respective high school alma maters, encouraging the students to pursue their dreams whatever they may be.

Another successful special event that continues to expand since its inception in 1998 is the **Capitol City Pumpkin Drop**. Sponsored by Aventis (formerly Rhone-Poulenc), the event encourages students to use their creativity along with their understanding of math, science, and physics. The goal of the Pumpkin Drop is for students to design an enclosure or apparatus that will protect a pumpkin from damage when dropped from the roof of a Capitol Complex building. The challenge: to hit the target on the ground and have the pumpkin remain intact.

Over 250 students from eleven counties participated in this year's Pumpkin Drop, and we were pleased that several pumpkins successfully "survived" the fall. The Pumpkin Drop is coordinated in conjunction with the WVU College of Engineering and Mineral Resources who provide judges for the event and provide expert technical assistance.



*Graduates of Distinction, Class of 2000  
David Selby and Vivien Woofter*

# CONTRIBUTORS

## Founders Circle

***\$100,000 and above***

Claude Worthington Benedum  
Foundation

## Leaders Circle

***\$25,000 to \$99,999***

City National Bank  
Columbia Gas Transmission  
Union Carbide Foundation

## Major Benefactors Circle

***\$10,000 to \$24,999***

Allegheny Power  
American Electric Power  
Bank One-West Virginia NA  
Verizon West Virginia

## Special Benefactors Circle

***\$5,000 to \$9,999***

Ashland Inc.  
Bernard H. and Blanche E. Jacobson  
Foundation  
Dominion Foundation  
Daywood Foundation, Inc.  
Flexsys  
Toyota Motor Manufacturing WV, Inc.

## Presidents Circle

***\$1,000 to \$4,999***

Acordia of West Virginia  
Michael A. Albert  
Alcan Aluminum Corporation  
Aventis  
Bernard McDonough Foundation  
Carbon Fuel Foundation  
Charleston Town Center  
Clay County Bank  
William Maxwell Davis  
Dickinson Properties, Ltd.  
E. I. DuPont De Nemours & Company  
Genesis Healthcare  
James H. Harless  
Herscher Foundation  
James F. Humphreys  
Huntington Foundation, Inc.  
Kroger Company Foundation  
Latter Day Saints Charities  
Vivian G. Owens  
Jean B. Potter  
Sen. and Mrs. John D. Rockefeller, IV  
Sharon H. Rowe  
Herchiel Sims, Jr.  
L. Newton Thomas, Jr.  
United Way of Kanawha Valley

West Virginia Dental Alliance  
WV Humanities Council & the National  
Endowment for the Humanities  
West Virginia United Health System  
West Virginia-American Water Company  
World Kitchen, Inc.  
WV Commission on the Arts/ WV  
Division of Culture and History

## Loyalty Circle

***\$250 to \$999***

Betty H. Barrett  
Bayer Corporation  
Ralph J. Bean, Jr.  
Benson Manufacturing, Inc.  
E. V. Bowman  
Camden-Clark Memorial Hospital  
Charleston Marriott  
Buckner Clay  
John Corbett  
Martha V. DiTrapano  
Dominion Appalachian Development  
Elkem Metals Company  
Mary Clare Eros  
Fenton Foundation, Inc.  
Great Lakes Chemical Corp.

## Loyalty Circle *(continued)*

Fred Haddad  
Thomas Heywood & Melody Simpson  
C. R. Hill, Jr.  
Huntington Federal Savings Bank  
Gregory B. Isaacs  
Charles T. Jones  
Herbert E. Jones  
Despina Kapourales  
Twila Kirkpatrick  
Priscilla Leavitt  
H. Wayne Mason  
James McCartney  
William McDavid  
Lewis N. McManus  
Mr. and Mrs. Jeff Monroe  
J. D. Morris  
Mountain State BlueCross BlueShield  
The National Church Envelope & Supply  
Co., Inc.  
Neighborgall Construction Co.  
Northrup Grumman  
Ohio Valley Medical Center  
Mr. and Mrs. Jack R. Phillips  
Lacy I. Rice, Jr.  
Royal & SunAlliance  
SBR, Inc.  
Howard E. Seufer  
P. Dwight Sherman  
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Georgia Wallace  
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WesBanco  
Wheeling-Nisshin  
James and Mona Wiseman

## Friends Circle *Up to \$249*

Mary C. Abbott  
Adelphia  
The Adventure Foundation, Inc.  
Aladdin Food Management Services  
Alpha Delta Kappa Teachers Sorority  
Appalachian Log Structures  
Charles D. Bell  
Shrikant L. Bembalkar  
Pat and Mary Kay Bond  
Edwin Bowman  
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William Cammack Campbell  
Casto Technical Services  
Class VI River Runners  
Clayton Engineering Company  
Coldwater Creek  
Coldwell Banker/Landmark Realtors  
H. Thomas Corrie  
Margaret Covey  
Dee-Jay's BBQ Ribs  
J. Frank Deem  
Edwin L. D. Dils  
Drug Emporium  
Dr. L. Edward Eckley, DDS  
Thad D. Epps  
Eye and Ear Clinic of Charleston, Inc.  
F & M Bank-West Virginia (Ft. Ashby)  
F & M Bank-West Virginia (Martinsburg)  
Fairmont General Hospital Foundation  
Fairmont Rotary Club  
Sue Seibert Farnsworth  
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Ellen G. Goodwin  
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Robert F. Harding  
Oley Hardman  
Hardy Telecommunications, Inc.  
Judy L. Harrah  
John B. Hedrick

## Friends Circle *(continued)*

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Highland Cellular  
Roland Hobbs  
W. P. Holloway  
Ron Huiatt  
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William A. James  
Jefferds Corporation  
Jim C. Hamer Company  
Patty Johnston  
Kanawha River Terminals, Inc.  
Kepler Processing Company, Inc.  
Kepner Funeral Homes  
Jeffrey Knierim  
Edward D. Knight, III  
Loyal Order of Moose Lodge #120  
Edward H. Maier  
Maybeury Clinic, Inc.  
McDonough, Eddy, Parsons  
& Baylous, AC  
Jim and Carol McKay  
Robert P. McLean  
Frank W. Miller  
Al Modena  
NARCO, Inc.  
Howard Neiberg  
Northside Land Corporation

Null's Construction  
Regina Pallares  
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Pasquale Mira Italian Restaurant  
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Petroleum Development Corporation  
Pizza House  
Roscoe Plumley  
Warren Point  
Potomac Valley Bank  
Pratt & Whitney Engine Services, Inc.  
Mrs. Ervin S. Queen  
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Rosewood Center - Genesis Eldercare  
Rubberlite Inc.  
John R. Ruddick  
Robert Sayre  
Sexton Can Company, Inc.  
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Malcolm Smith  
Sturm, Inc.  
Sally Susman  
Norma L. Sutherland  
Lydotta Taylor  
Blair Thompson  
Thrasher Engineering  
Toney's White Oak Lanes

Tri-State Greyhound Racing Park  
Maxey Ann Tully  
United Hospital Center, Inc.  
United National Bank (Ohio/Belmont  
Counties)  
United Way of Marion County  
United Way of the River Cities, Inc.  
James Vargo  
VENCO  
Charles H. Wagoner  
Walker Systems, Inc.  
Warwood Armature Repair Company  
George S. Weaver  
Isadore Wein  
West Virginia Glass Company, Inc.  
West Virginia Hospital Association  
Weston Transfer, Inc.  
Daniel B. Wharton  
Wheeling National Bank  
John Willis  
James W. Word, Jr.  
WVHTC Foundation  
Syed A. Zahir

## In-Kind Contributions

AT & T Wireless Services  
The Greenbrier  
WV Public Broadcasting Authority



## 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, 2000 and 1999, and the related statements of activities, 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, 2000 and 1999, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

*Suttle & Stalnakar, PLLC*

July 18, 2000



THE EDUCATION ALLIANCE-BUSINESS AND  
 COMMUNITY FOR PUBLIC SCHOOLS, INC.  
 STATEMENTS OF FINANCIAL POSITION  
 JUNE 30, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents - partially restricted	\$ 11,776	\$ 23,840
Short-term Investments - partially restricted	510,949	794,310
Pledges and Grants Receivable	5,000	6,078
Other Current Assets	4,098	15,879
Total Current Assets	<u>531,823</u>	<u>840,107</u>
<b>FURNISHINGS AND EQUIPMENT</b>		
Automobile	15,756	15,756
Office Equipment	<u>36,291</u>	<u>36,291</u>
	52,047	52,047
	<u>41,878</u>	<u>36,827</u>
Less Accumulated Depreciation	<u>10,169</u>	<u>15,220</u>
	<u>\$ 541,992</u>	<u>\$ 855,327</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 28,399	\$ 5,539
Accrued Payroll and Related Liabilities	20,102	21,588
Refundable Advances	<u>80,941</u>	<u>122,986</u>
Total Current Liabilities	<u>129,442</u>	<u>150,113</u>
<b>NET ASSETS</b>		
Unrestricted	137,336	296,948
Temporarily Restricted	<u>275,214</u>	<u>408,266</u>
Total Net Assets	<u>412,550</u>	<u>705,214</u>
	<u>\$ 541,992</u>	<u>\$ 855,327</u>

The Accompanying Notes Are An Integral  
 Part of These Financial Statements

THE EDUCATION ALLIANCE-BUSINESS AND  
COMMUNITY FOR PUBLIC SCHOOLS, INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2000 AND 1999

	2000		1999	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
	Total	Total	Total	Total
Revenue and Support				
Gifts and Grants	\$ 148,992	\$ 451,894	\$ 600,886	\$ 699,866
Special Events	42,791	-	42,791	45,976
Investment Income (Loss)	<u>(29,898)</u>	<u>19,581</u>	<u>(10,317)</u>	<u>22,775</u>
Total Revenue	161,885	471,475	633,360	802,184
Net Assets Released from Restrictions	<u>604,527</u>	<u>(604,527)</u>	<u>-</u>	<u>(598,306)</u>
Total Support and Revenue	<u>766,412</u>	<u>(133,052)</u>	<u>633,360</u>	<u>802,184</u>
Expenses				
Program Services:				
Classroom Minigrants	101,806	-	101,806	93,303
Partnerships in Education	55,274	-	55,274	44,681
Read Aloud	64,223	-	64,223	69,304
Education Policy Research	169,992	-	169,992	133,970
Business Council for Education	131,776	-	131,776	84,732
Education Reform	134,207	-	134,207	135,003
Working on Wellness	16,284	-	16,284	37,263
Other	<u>90,933</u>	<u>-</u>	<u>90,933</u>	<u>127,139</u>
Total Program Services	764,495	-	764,495	725,395
Management and General Fund Raising	69,627	-	69,627	64,070
	<u>91,902</u>	<u>-</u>	<u>91,902</u>	<u>115,592</u>
Total Expense	<u>926,024</u>	<u>-</u>	<u>926,024</u>	<u>905,057</u>
CHANGE IN NET ASSETS	(159,612)	(133,052)	(292,664)	(18,162)
Net Assets, Beginning of Year	296,948	408,266	705,214	426,428
Net Assets, End of Year	<u>\$ 137,336</u>	<u>\$ 275,214</u>	<u>\$ 412,550</u>	<u>\$ 408,266</u>
			<u>\$ 381,659</u>	<u>\$ 808,087</u>
			<u>\$ 296,948</u>	<u>\$ 705,214</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, 2000 AND 1999

	<u>2000</u>	<u>1999</u>
Cash From Operations		
Change in Net Assets	\$ (292,664)	\$ (102,873)
Add Adjustments Not Affecting Cash:		
Depreciation	5,051	7,779
Investment (Income) Loss Credited Directly to Investment Accounts	13,354	(52,757)
Decrease (Increase) in Operating Assets		
Pledges Receivable	1,078	1,320
Other Current Assets	11,781	(3,516)
Increase (Decrease) in Operating Liabilities		
Accounts Payable	22,860	(22,763)
Payroll and Related Liabilities	(1,486)	(326)
Refundable Advances	(42,045)	51,011
Cash Provided (Used) by Operations	<u>(282,071)</u>	<u>(122,125)</u>
Cash From Investing Activities		
Purchases of Equipment	-	(6,939)
Sales of Short-Term Investments	270,007	110,226
Purchases of Short-Term Investments	-	(27,088)
Cash Provided (Used) by Investing Activities	<u>270,007</u>	<u>76,199</u>
<b>INCREASE (DECREASE) IN CASH</b>	(12,064)	(45,926)
Cash and Cash Equivalents, Beginning of Year	<u>23,840</u>	<u>69,766</u>
Cash and Cash Equivalents, End of Year	<u>\$ 11,776</u>	<u>\$ 23,840</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, 2000 AND 1999

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, Working on Wellness, Communications, 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 Working on Wellness 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, 2000 AND 1999

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 activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

THE EDUCATION ALLIANCE-BUSINESS AND  
COMMUNITY FOR PUBLIC SCHOOLS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2000 AND 1999

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 is reported as investment income (loss) in the Statement of Activities. 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, 2000 and 1999, are summarized as follows:

	<u>2000</u>	<u>1999</u>
Money Market Funds	\$ 12,127	\$ 7,704
Common Stocks	238,213	286,076
U.S. Treasury Obligations	<u>260,609</u>	<u>500,530</u>
	<u>\$ 510,949</u>	<u>\$ 794,310</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, 2000 and 1999:

	<u>2000</u>	<u>1999</u>
Interest and Dividends	\$ 31,519	\$ 39,335
Net Gains (Losses) on Investments	<u>(44,875)</u>	<u>13,422</u>
	(13,356)	52,757
Interest on Cash and Cash Equivalents	<u>3,039</u>	<u>3,585</u>
	<u>\$ (10,317)</u>	<u>\$ 56,342</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, 2000, and 1999 consist of the following:

	<u>2000</u>	<u>1999</u>
Benedum Foundation - Education Reform	\$ 10,442	\$ 5,497
Benedum Foundation - Education Policy Research	<u>70,499</u>	<u>117,489</u>
	<u>\$ 80,941</u>	<u>\$ 122,986</u>

Both of the above programs are expected to be completed and/or discontinued during the year ending June 30, 2001.

THE EDUCATION ALLIANCE-BUSINESS AND  
COMMUNITY FOR PUBLIC SCHOOLS, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2000 AND 1999

NOTE 4 -- TEMPORARILY RESTRICTED NET ASSETS

Temporarily Restricted Net Assets at June 30, 2000 and 1999, consists of gifts and grants for the following programs:

	<u>2000</u>	<u>1999</u>
Business Council for Education Read Aloud	\$ 260,202	\$ 323,915
Working on Wellness Initiative	-	6,333
College Bound	470	16,190
Bell Atlantic - World School Website	1,683	18,444
Bell Atlantic Scholarships	1,968	2,030
Tech Corps	5,880	30,272
AT&T Teacher Fellowship	390	702
AAUW	4,621	4,701
Employer Panel	..	5,641
	<u>\$ 275,214</u>	<u>\$ 408,266</u>

NOTE 5 -- OPERATING LEASES

The Alliance leases its office space under an operating lease which expires on April 30, 2001. Total rent expense for the years ended June 30, 2000 and 1999 was \$42,875 and \$41,983, respectively. Minimum future rental payments under this lease are as follows:  
2001 - \$35,662.

NOTE 6 -- 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 \$28,308 and \$30,013 for the years ended June 30, 2000 and 1999 respectively.



*Business Advisors and Consultants*

## 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, 2000 and 1999, taken as a whole. The additional financial information included on pages 12 and 13 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, 2000 and 1999, on pages 12 and 13, 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, 2000 and 1999, taken as a whole.

*Suttle & Stalnaker, PLLC*

July 18, 2000

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THE EDUCATION ALLIANCE-BUSINESS AND  
COMMUNITY FOR PUBLIC SCHOOLS, INC.  
SCHEDULE OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2000

	Program Services										Total	
	Classroom Minigrants	Partner- ships in Education	Read Aloud	Education Policy Research	Business Council For Education	Education Reform	Working On Wellness	Other	Total Program Services	Fund Raising		General and New Program Development
GRANTS & AWARDS	\$ 61,615	\$ 6,000	\$ 1,000	\$ -	\$ 9,000	\$ -	\$ 9,976	\$ 36,413	\$ 124,004	\$ -	\$ -	\$ 124,004
PROGRAM MANAGEMENT & SERVICES												
Payroll & Related Expenses	28,516	28,648	39,091	137,413	58,084	119,772	5,806	39,150	456,480	66,675	37,373	560,528
Rent	2,140	2,140	4,280	12,839	8,559	-	-	5,428	35,386	4,279	3,210	42,875
Supplies	747	2,911	1,351	2,818	1,690	768	-	1,125	11,410	1,949	1,068	14,427
Telephone	585	1,140	1,788	2,273	2,584	194	3	1,612	10,179	1,614	1,546	13,339
Printing	1,252	2,109	498	3,163	786	-	357	2,640	10,805	1,209	158	12,172
Postage	1,818	1,186	785	1,284	754	136	38	866	6,867	1,448	1,072	9,387
Travel	2,543	2,392	2,057	2,267	1,524	12,805	104	741	24,433	3,074	5,186	32,693
Accounting Fees	1,080	1,080	1,440	2,880	2,160	-	-	2,160	10,800	1,440	2,160	14,400
Consultant Fees	-	160	3	1,259	169	-	-	161	1,752	191	7,632	9,575
Meetings	-	255	10,746	-	21,237	-	-	-	32,238	695	6,859	39,792
Other	1,510	7,253	1,184	3,796	25,229	532	-	637	40,141	9,328	3,363	52,832
TOTAL PROGRAM MANAGEMENT & SERVICES	40,191	49,274	63,223	169,992	122,776	134,207	6,308	54,520	640,491	91,902	69,627	802,020
TOTAL EXPENSES	\$ 101,806	\$ 55,274	\$ 64,223	\$ 169,992	\$ 131,776	\$ 134,207	\$ 16,284	\$ 90,933	\$ 764,495	\$ 91,902	\$ 69,627	\$ 926,024

THE EDUCATION ALLIANCE-BUSINESS AND  
COMMUNITY FOR PUBLIC SCHOOLS, INC.  
SCHEDULE OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 1999

	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	Working on Wellness	Other				
GRANTS & AWARDS	\$ 56,276	\$ 6,000	\$ -	\$ -	\$ 8,600	\$ -	\$ 6,000	\$ 35,531	\$ 112,407	\$ -	\$ -	\$ 112,407
PROGRAM MANAGEMENT & SERVICES												
Payroll & Related Expenses	21,825	23,930	43,252	83,816	47,723	118,645	16,989	50,078	406,258	75,598	40,735	522,591
Rent	3,988	2,897	4,912	13,267	8,733	-	1,511	2,477	37,785	2,099	2,099	41,983
Supplies	595	2,518	1,559	4,011	1,337	235	649	1,046	11,950	759	1,222	13,931
Telephone	612	1,522	2,063	2,255	2,593	129	1,294	1,730	12,198	1,613	1,745	15,556
Printing	2,044	1,294	1,626	15,808	996	-	390	6,421	28,579	2,431	146	31,156
Postage	1,805	1,640	888	2,869	678	134	838	549	9,401	1,045	1,193	11,639
Travel	2,401	2,503	3,349	5,935	3,623	14,833	935	795	34,374	5,345	5,942	45,661
Accounting Fees	1,945	1,251	1,756	2,170	2,106	-	473	1,364	11,065	968	1,308	13,341
Consultant Fees	-	-	1	33	3	-	4	-	41	4	4,142	4,187
Meetings	241	50	7,774	947	883	152	17	9	10,073	12,355	73	22,501
Other	1,571	1,076	2,124	2,859	7,457	875	8,163	27,139	51,264	13,375	5,465	70,104
TOTAL PROGRAM MANAGEMENT & SERVICES	37,027	38,681	69,304	133,970	76,132	135,003	31,263	91,608	612,988	115,592	64,070	792,650
TOTAL EXPENSES	\$ 93,303	\$ 44,681	\$ 69,304	\$ 133,970	\$ 84,732	\$ 135,003	\$ 37,263	\$ 127,139	\$ 725,395	\$ 115,592	\$ 64,070	\$ 905,057

## **The Education Alliance Staff Members**

**Jim McKay**

Interim Executive Director

**Jody Dodd Cottrill**

Program and Resource Manager  
Read Aloud West Virginia

**Vicki Majic**

Coordinator  
Mini -Grants for Classroom Projects

**Arnie Margolin**

Director of Development

**Julie Robinson**

Program & Resource Manager  
Business Council for Education

**Tammy Thomas**

Coordinator  
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