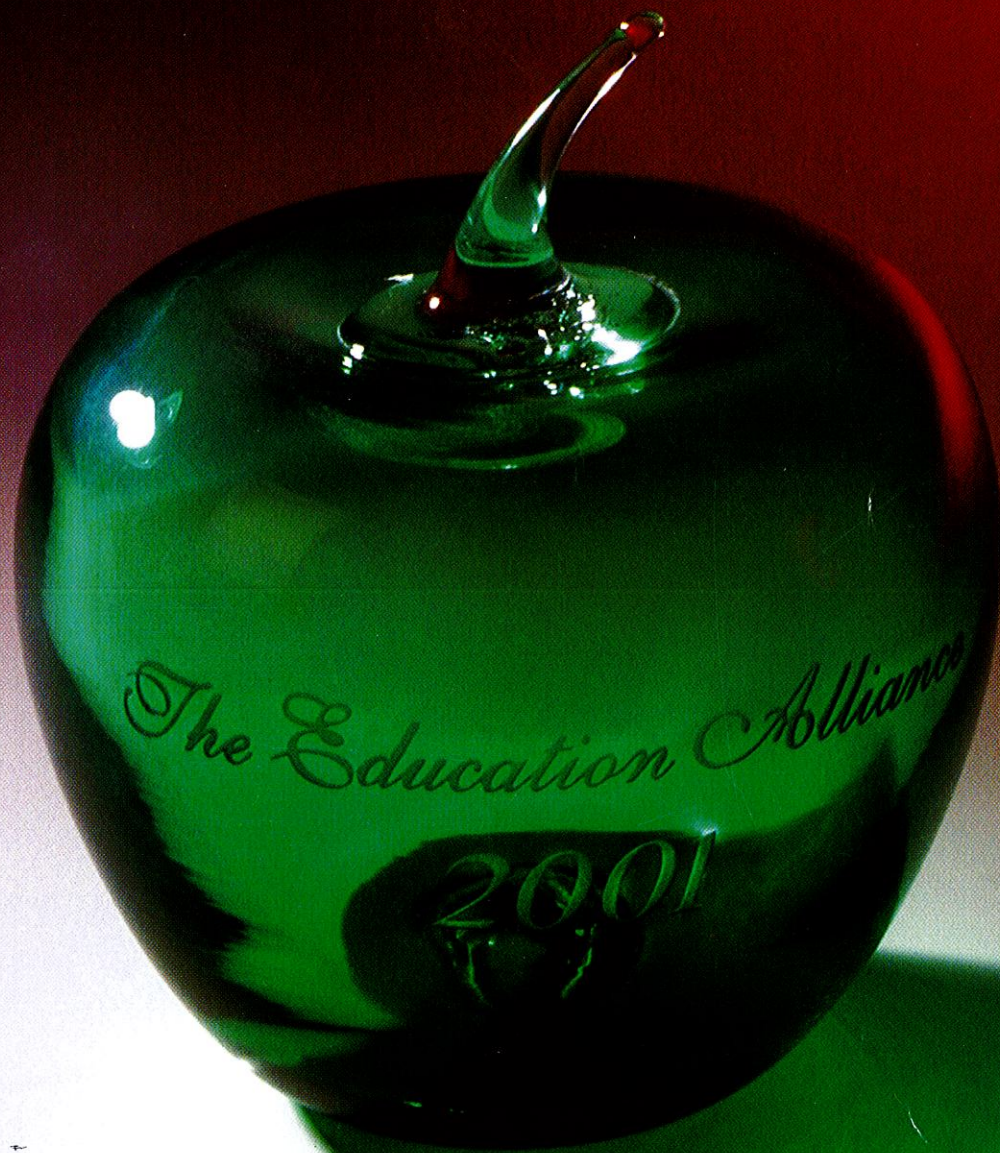


2001
Annual Report

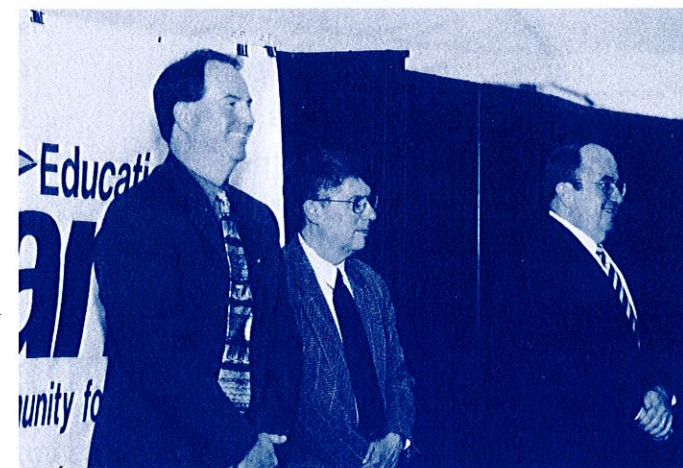


COVER: To thank its many contributors, The Education Alliance now presents a Blenko Glass apple to each person or organization donating \$500 or more. The green 2001 Apple, first in a series, represents stewardship. The Education Alliance's Apple Legacy is a tangible commemoration of the importance of supporting public education.

Apple courtesy of Blenko Glass. Cover photograph courtesy of Rick Lee.



*The Mission of
The Education Alliance is
to promote student success
by involving business
and the community
in K-12 public schools.*



Board of Directors



The Alliance's Board of Directors is a dynamic and diverse group whose goal is to improve the quality of education offered in West Virginia's public schools through business and community involvement

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*Mr. Thad Epps	Ann Green Communications	Charleston
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Mrs. Lorenelle White	The State Journal	Charleston
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** Ex Officio Member		



Challenges can be overcome through strength, flexibility, balance, alignment and teamwork



Hazel K. Palmer, Ed.D.
President and CEO

Several years ago, while rock climbing with my son, I was forced to confront physical and mental challenges I had never faced before.

In many ways, though, the difficult challenges one faces when climbing the surface of a rock are comparable to the obstacles one faces when developing partnerships among schools, businesses and communities – or building economic prosperity in a state. Rock climbing, partnership development and economic development all demand individual strength, flexibility, balance, alignment and teamwork.

These are the attributes that allow climbers to succeed; these are the same qualities that will enable West Virginia to ascend to the pinnacle of educational leadership and economic prosperity.

The Education Alliance is committed to utilizing the teamwork of 1,500-plus Partnerships in Education, the flexibility given classroom teachers through Mini-Grants for Classroom Projects and Family Involvement Grants, the alignment of basic skills through our Read Aloud West Virginia program and the strength of meaningful research conducted through our Education Policy Research Institute to make a difference in West Virginia's public schools. These programs are having a positive impact on public education. They encourage business and community involvement in our schools, provide much-needed resources to classroom teachers and communities, help instill the love of reading in children and provide pertinent data to policy leaders. Using the same attributes that make rock climbers successful, The Education Alliance is serving as a catalyst for positive change in West Virginia.

With your assistance and support, The Education Alliance will continue to lead the way to school improvement and, ultimately, better lives for all West Virginians.

Sincerely yours,

Hazel K. Palmer

Hazel K. Palmer, Ed.D.
President and CEO

2000-2001 Highlights

- ★ The Education Alliance's Partnerships in Education program reached the 2,000-partner mark
- ★ Over 60,000 children were read to in West Virginia each week by nearly 5,000 dedicated volunteers
- ★ 141 Mini-Grants totaling \$47,485 and 6 Dental Health Mini-Grants totaling \$1,722 were awarded
- ★ Schools in 42 WV counties received grants
- ★ 100,000 children were read to by 5,000 volunteers on Read to Me! Day, April 26
- ★ The Education Alliance's Board of Directors is a diverse group from 20 different West Virginia cities and towns
- ★ The Alliance began the Apple Legacy to thank major contributors
- ★ Demonstrating its ongoing commitment to West Virginia and its continued faith in The Education Alliance, the Benedum Foundation awarded the Alliance a \$100,000 challenge grant



*Mini-Grants provide
financial resources to teachers
for innovative classroom projects*

The Education Alliance's Mini-Grants for Classroom Projects program is now in its 18th year of awarding competitive grants of up to \$500 to teachers who wish to incorporate a creative project into their classroom studies.

One of last year's grant-winning teachers stated, "We could not have done this project without the funding from the mini-grant! Thanks. I think that I have produced some future geologists."

In 2000, eight regional Mini-Grant Review Committees consisting of community and educational leaders met to consider which applications would have the most educational value, realistic goals and benefit to students. They chose 147 of the most innovative projects and awarded approximately \$50,000.

"Thank you so much for the opportunity to do something creative and FUN for the students!" wrote another one of the recipients.

And fun they had--creating wire sculptures, making math magic with milk chocolate, finding egg-citement on a farm, creating an art patio and taking a trip to the rainforest, plus many other exciting learning adventures.

The Education Alliance also awards Dental Health Mini-Grants to teachers and school nurses to conduct projects that encourage students to practice good dental hygiene. These grants are funded by the West Virginia Dental Health Alliance.

"Without the additional funding provided through grants from businesses, I would not be able to enjoy as many unforgettable moments that are filled with genuine student excitement about learning," another recipient wrote.

The Alliance thanks the major corporate sponsors who support Mini-Grants for Classroom Projects: Columbia Gas Transmission, West Virginia Humanities Council, Toyota Motor Manufacturing West Virginia, Inc., West Virginia Commission on the Arts and the National Endowment for the Arts, Huntington Foundation, The Greater Kanawha Valley Foundation and Allegheny Power.

2000-01 MINI-GRANTS FOR CLASSROOM PROJECTS GRANT RECIPIENTS

Barbour

Autumn Queen	Belington Elementary School	<i>Discovery Reading and Writing Bags</i>
Carmen Henninger	Philip Barbour High School	<i>Les infos/Las noticias/The News at PB</i>

Linda Hager	Philippi Elementary School	<i>Math - 4 - Life</i>
Berkeley		
Rebecca Gamble	Berkeley Heights Elementary School	<i>Special Delivery</i>
Beverly Hess McDonald	Martinsburg North Middle School	<i>Indoor Field Trips</i>
Kristina Sloan	Mill Creek Intermediate School	<i>Exciting Electricity</i>
Julia Moore	Potomack Intermediate School	<i>Endeavors of the Native Americans</i>
Pamela Wachtel	Potomack Intermediate School	<i>Operation Owl-rageous!</i>
Cindy Woods	Potomack Intermediate School	<i>Come Into My Web!</i>
Dimetra Lewin	Rosemont Elementary School	<i>Celebrating Our West Virginia Heritage</i>
Twyla Sullivan	Winchester Avenue Elementary School	<i>Masters of the Renaissance</i>
Sandra Spies	Winchester Avenue School	<i>Puppet Cooking the ABC's</i> <i>Success Pockets</i>
Boone		
Jennifer Carriger	Ashford-Rumble Elementary School	<i>Pick Up the P.A.C.E. (Pride And Character Education)</i>
Suzanne Bell	Madison Elementary School	<i>Less Stress Science Projects</i>
Roger Bennett	Madison Middle School	<i>Looking and Seeing - Experiencing Architecture</i>
Judy Foxx	Madison Middle School	<i>No Objections to Non-Objectives!!</i>
Jonnie Duty	Scott High School	<i>Holocaust Literature</i>
Nora Dotson	Sherman Jr High School	<i>Beautiful Boone County</i>
Lisa Beck	Sherman Jr High School	<i>GEO Take Home Packs</i>
Regenna Sue Baire	Van Jr/Sr High School	<i>Fit 4 Life</i>
Braxton		
Laura Atkins	Little Birch Elementary School	<i>What's in the Water!</i>
Cabell		
Deborah Gray	Altizer Elementary School	<i>Friday Book Club</i>
Theresa Grant	Cabell Midland High School	<i>Believe Everything You've Seen</i>
Linda Frye	Central City Elementary School	<i>Math-A-Graphics</i>
Calhoun		
Jo Moellendick	Calhoun County High School	<i>Renaissance Student 2001</i>
Leah Offutt	Calhoun Middle School	<i>Time Travelers</i>
Fayette		
Catherine Darling	Gauley Bridge Elementary School	<i>Math for Everyone</i>
Kimberly Wade	Meadow Bridge Elementary School	<i>The Heroes of Science/Social Studies</i>



Mini-Grants for Classroom Projects . . . Logan - Preston

Pamela White	Logan Elementary School	<i>C.U.L.T.U.R.E. - Create Universal Literature Through Unified Reading Education</i>
Mary White	Logan Elementary School	<i>Build Me Up</i>
Rebecca Afzalirad	Logan Elementary School	<i>D.R.E.A.M.</i>
Dana Bowen	Logan Elementary School	<i>Mrs. Bowen's Kiddee Kindergarten</i>
Drema Bates	Logan Elementary School	<i>Braggin Dragons</i>
Rose Procopio	Logan Elementary School	<i>COR - Count On Reading</i>
Elizabeth Galloway	Logan Elementary School	<i>Be Cool - Come To School</i>
Pamela Roeher	Logan Elementary School	<i>Encapsulating Moments in Time</i>
Jerry Norman	Logan Elementary School	<i>Mathshark Math</i>
Susan McGlothen	Logan Elementary School	<i>I Love Sci-ANTS</i>
Sherry McDonald	Verdunville Elementary School	<i>Digging Up Bones</i>
Marion		
Katherine Haught	East Fairmont Jr High School	<i>Scrapbooking - A Book About Me, My Family, My Friends and My Accomplishments</i>
Cheryl Offutt	North Marion High School	<i>Ceramic Tile Collaboration</i>
Marshall		
Joyce Cole	Park View Elementary School	<i>Bag A Book</i>
Sherry Moore	Washington Lands Elementary School	<i>Don't Eat Your Heart Out</i>
Mason		
Jill Martin	Central Elementary School	<i>High Fliers!</i>
Judy Clifford	Central Elementary School	<i>I'm Going Home</i>
Lesa Doeffinger	Central Elementary School	<i>Hungry for History</i>
Elaine Hussell	Roosevelt Elementary School	<i>Old MacDonald Had a Pond E-I-E-I-O And In His Pond He Had Some Fish E-I-E-I-O</i>
Jeanne Sayre	Roosevelt Elementary School	<i>Egg-citement On A Farm</i>

McDowell		
Vickie Chafin	laeger Elementary School	<i>Hello World, Hello New Friends</i>
Theresa Bales	Kimball Elementary School	<i>Together We Stand</i>
Mark Peck	Kimball Elementary School	<i>Counting on Wildlife</i>
Karen Silvers	Mount View High School	<i>Treasure Hunt</i>
Mercer		
Patricia Poe	Bluefield Middle School	<i>Baby Quillows</i>
Jo Ann Gaspersich	Brushfork Elementary School	<i>Brushfork Elementary Spanish Club</i>
Deborah Clark	Princeton Sr High School	<i>Taking Stock</i>
Mineral		
Natalie Zimmerman	Keyser High School	<i>Renewable Energy Resources</i>
Mingo		
Sabrina Runyon	Tug Valley High School	<i>Hot Calories</i>
Sonya F. Picklesimer	Williamson High School	<i>Get the Drift</i>
Marcia New	Williamson High School	<i>Get the Drift</i>
Monongalia		
Eric Kincaid	Morgantown High School	<i>Operation Forensics</i>
Morgan		
Margaret Hill	Pleasant View Elementary School	<i>Reading is Magical</i>
Nicholas		
Carla Starcher	Mt. Lookout Elementary School	<i>Our Neighbors 'The Bird Family'</i>
Vivian Brown	Nicholas County High School	<i>The Mathematics of Games</i>
Charlesetta Comer	Panther Creek Elementary School	<i>Story Drama</i>
Teresa Britton	Panther Creek Elementary School	<i>Story Drama</i>
Melissa Epling	Panther Creek School	<i>Gingerbread Babies</i>
Peggy Benton	Zela Elementary School	<i>Habitats Around Us</i>
Ohio		
Johna Fogle	Bridge Street Middle School	<i>Butterfly Development</i>
Susan Hvizdos	Wheeling Park High School	<i>Project GATES</i>
Pendleton		
Robin Kile	North Fork Elementary School	<i>Year After Year</i>
Pocahontas		
Jacqueline Kelly	Green Bank School	<i>CK Productions</i>
Preston		
Debra Zigray	Kingwood Elementary School	<i>Wonders of Water Living the Frontier Life of WV Mirror Mirror</i>



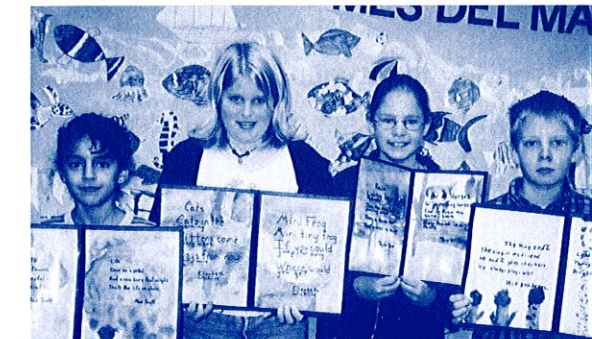
Mini-Grants for Classroom Projects . . . Putnam - Wood

Putnam		
Tammy Dill	Scott Teays Elementary School	<i>Phonics in a Bag</i>
Raleigh		
Cheryl Osborne	Bradley Elementary School	<i>Picture Perfect Timeline of Third Grade</i>
Wilda Cook	Cranberry-Prosperity Elem. School	<i>Clues in the Quilts</i>
Sue Ann Wilhoit	Woodrow Wilson High School	<i>Operation: Safety Net</i>
Randolph		
June Davis	Midland Elementary School	<i>Looking at the World in Different Ways</i>
Taylor		
Darlene Martin	Grafton High School	<i>'FOCUS' on Faberge</i>
Lynn Smith	Taylor County Middle School	<i>Hijacked</i>
Tyler		
David Langer	Tyler Consolidated High School	<i>Chemistry for the Real World</i>
Joseph Griffith	Tyler Consolidated High School	<i>Tyler Topography</i>
Upshur		
Vicki Sharp	Buckhannon-Upshur Interm. School	<i>Wagons West</i>
Joretta Armentrout	Washington District Elem. School	<i>Books All Around</i>
Wayne		
Dottie Stepp	Crum Middle School	<i>MOCK TRIAL - The Trial of Amanda Marie Locks</i>
Ann McDaniel	Prichard Elementary School	<i>Soap, Soap, Soap!</i>
Naomi Blankenship	Wayne Middle School	<i>Bulb Garden Delight</i>
Webster		
Anita Pugh	Hacker Valley School	<i>Raised on Songs and Stories</i>
Kennetha Parker-Howes	Hacker Valley School	<i>Raised on Songs and Stories</i>
Lewis Woodard	Hacker Valley School	<i>Raised on Songs and Stories</i>
Julia Hughes	Webster Springs Elementary School	<i>Project Grow</i>

Wetzel		
Jo Snider	Long Drain School	<i>Science Expo</i>
Rebecca Meckley	Paden City Middle/High School	<i>Country Roads</i>
Sonya Holliday	Valley High School	<i>Mardi Gras</i>
Janice Moore	Valley High School	<i>Mardi Gras</i>
Wirt		
Carolyn Corbett	Wirt County Middle School	<i>Discovering DaVinci...</i>
Susan Roberts	Wirt County Middle School	<i>A Celebration of Pi</i>
Lou Ann McVey	Wirt County Middle School	<i>Wild, Wild, West</i>
Wood		
Tammy Meek	Blennerhassett Elementary School	<i>Art Across the Curriculum</i>
Carol Morris	Franklin Elementary School	<i>Circus Olympics</i>
Judith Clinton	Jefferson Elementary Center	<i>A Trip to the Rainforest</i>
Helen Holt	Jefferson Elementary Center	<i>A Trip to the Rainforest</i>
Jody Carder	Jefferson Elementary Center	<i>A Trip to the Rainforest</i>
Judy Johnson	Jefferson Elementary Center	<i>A Trip to the Rainforest</i>
Terry Mullen	Jefferson Elementary School	<i>Building to Learn</i>
Robin Mace	Lincoln Elementary School	<i>Wet and Wild</i>
Dee Bolyard	Neale Elementary School	<i>W.I.N.G.S. - Watching Insects Naturally Growing Schoolwide</i>
Paul Miller	Parkersburg South High School	<i>Ski Wood County</i>

2000-01 DENTAL HEALTH GRANT RECIPIENTS

Jane Ishman	Gerrardstown Elementary School	<i>Healthy Teeth, Healthy Smiles, Healthy Lives</i>
Regenna Baire	Van Jr/Sr High School	<i>The Truth About Flossing</i>
Teresa Bayer	Blennerhassett Elementary School	<i>Mobile Dental Center</i>
Kellee Shuttleworth	Norwood Elementary School	<i>The Better to Eat You With</i>
Sonya Picklesimer	Williamson High School	<i>Dental Fundamentals</i>
Wendy Booten	Cabell County Board Office	<i>Healthy Teeth: A Lifelong Treasure</i>





*The Read Aloud West Virginia program
motivates children to want to read*

Read Aloud West Virginia is a statewide intergenerational volunteer program that motivates children to want to read. By sharing the joy of reading aloud, volunteers model positive attitudes toward reading and books. In the process, they help children increase listening skills and learn new vocabulary, and expose them to a wide variety of topics they might not explore on their own. Additionally, because stories allow children to “walk in another person’s shoes,” they develop a greater understanding of life and human nature. Volunteers, whether they are parents or grandparents, business leaders, attorneys or the local grocery clerk, become role models and the greatest “commercial” for reading.

This year Read Aloud celebrates 15 years of reading aloud to children in schools. Read Aloud West Virginia began in 1986 with a group of dedicated parents who organized a local program providing volunteer readers who read in elementary school classrooms for 20 minutes each week. The program quickly grew into other counties, and eventually, with the help of a Benedum grant, became a statewide program of The Education Alliance in 1991. Each year nearly 60,000 children throughout the state of West Virginia are read to by 5,000 parents and business and community volunteers who share their passion for books on a regular basis as part of the Read Aloud program. The Program Manager works with county coordinators who provide recruitment and training for new volunteer readers and school coordinators, and disseminate information to current readers. Each county coordinator provides an evaluation of the program at the end of the school year based on the numbers of readers trained, the number of readers who actually read on a regular basis, and the number of children affected.

The seventh Read Aloud West Virginia Conference was held on November 3, 2000, at the Charleston Civic Center. Nearly 400 individuals representing 43 West Virginia counties and three states registered for the one-day event. The theme was “A Little Laughter Please! Motivating Reluctant Readers Through Humor.” Keynote speakers were author/storyteller Donald Davis and nationally recognized children’s poet Jack Prelutsky. Attendees included teachers, principals, parents,

librarians, and volunteer readers. Mr. Davis spoke about the loss of oral tradition in today’s society and how reading aloud, talking and telling stories to children is critical in providing basic literacy skills. Mr. Prelutsky delivered a performance of some of his most successful poems, and discussed what inspired him to write them. Conferees also par-



Sarah Sullivan, a Read Aloud West Virginia volunteer, reads to a class at Chandler Elementary in Kanawha County.

ticipated in a variety of other workshops, including reviews of good read aloud books, oral interpretation techniques, Young Adult Choices Award books, WV Children’s Choice books, grant writing, and public relations.

Read To Me! Day is a public relations effort that draws attention to the importance of reading aloud to children. The Education Alliance led a partnership with West Virginia Public Broadcasting, the WV Department of Education, the WV Library Commission, the WV Education Association, the WV Reading Association, Let’s Read WV! and several corporate partners. On April 26 over 5,000 volunteers read to over 100,000 children statewide. To avoid conflicts with statewide testing and spring breaks, future events will be held in November to coincide with Children’s Book Week.

Books for Babies combines a simple brochure about the value of reading to infants; presentations to pediatricians, new parents, and childcare workers; and support for county programs that distribute books to newborns. The Alliance’s Read Aloud Book Trunks provide trunks of 30-40 books of varying reading levels to places in need of good read aloud books. Many elementary schools in West Virginia do not have libraries, or have a limited selection. The rural nature of the state also often impedes students’ or volunteer readers’ access to public libraries, and the book trunks provide an easy resource. The book trunks are also used often by summer reading programs, shelters, and “students reading to students” programs.



EPRI conducts research, analysis and evaluation on issues affecting the quality of public education in WV

The Education Policy Research Institute (EPRI) was established in 1991 to conduct scholarly research, analysis and evaluation regarding issues affecting the quality of public education in West Virginia. The Education Alliance periodically conducts evaluations of the effectiveness of its programs, and did so with EPRI this year. Through the generous funding of the Claude Worthington Benedum Foundation, the Alliance contracted with Ryan-McGinn-Samples Research (RMS) based in Charleston, West Virginia, to conduct a survey of other education funds and similar national organizations that had research expertise. The purpose of the survey was to collect comparative information from similar organizations that could be utilized by the Alliance to assess both the current management practices and the future direction of its research component. Ten interviews were conducted and a report, *Survey of Education Policy Research Institutes*, was published, copies of which are available from the Alliance.

The Research Review Committee studied the report and, after thoughtful reflection, recommended the following guidelines for conducting research, which were subsequently approved by the Board of Directors:

- The mission of the EPRI should be reviewed to assure it is consistent with the mission of The Education Alliance.
- The Board of Directors or the Executive Committee should select research topics.
- A core Research Committee should be appointed and a chair from the Board of Directors should be appointed. Additional members with expertise in the topics to be studied should be added to the Committee as needed.
- A staff member should be hired by the Alliance to manage the research effort. That person would also be involved in other Alliance activities.

- The Committee and staff member should turn the research topic posed by the Board or Executive Committee into a research project with a defined scope and objectives and investigate to see if research exists on the topic. As appropriate, the process for developing the research scope and objectives should be inclusive and invite persons with all points of view to be heard.
- A Request For Proposals for specialized research capabilities to augment the skills of the staff member should be reviewed and approved by the Research Committee.
- A qualified contract research entity should be selected on a topic-by-topic basis.
- The staff member should provide oversight of the research activity and provide status reports to the Research Committee.
- The research study should draw conclusions and make recommendations when they flow from the research.
- The report should be written and formatted in such a manner as to make it easily readable by the general public.
- The Research Committee should review the contracted research report for content, presentation, conclusions, and recommendations. The Committee should refer the report to the Board (Executive Committee) for final approval.
- The Alliance should promote the results and recommendation of the report as appropriate.
- The Alliance should monitor the impact of the research on public policy.

With the new framework for research solidly in place, the Alliance is ready to move forward to revitalize the Education Policy Research Institute and resume its role in impacting public education policy.



Day on Campus provides students with the opportunity to visit a college or university

The Day On Campus program began in February 1988, funded by Ashland Oil, Inc., and administered by The Education Alliance. By the end of the first year, over 3,000 students had participated in the program. Now, twelve years later, 72,000 students have visited a post-secondary campus.

Day on Campus provided up to \$100 per school and was designed to introduce students in grades four through nine to colleges and technical schools in West Virginia and to inform them about educational opportunities beyond high school. The program was developed to increase the college attendance rate among West Virginia students by allowing them to see the schools first-hand.

Every public and private college and university in West Virginia participated in Day On Campus. In 1998, vocational and technical schools were included as eligible sites as student participation in the program increased and interest in schools offering "hands on" learning grew. For many rural schools, this program was the only opportunity for many children to see what educational opportunities were available to them after high school.

During the last several years, other organizations have initiated similar programs to encourage public school students to visit and apply to post-secondary schools. After successfully growing attention to the importance of increasing the college attendance rate, The Alliance now turns its focus to expanding new initiatives while encouraging these other organizations to continue this valuable program.



Graduates of Distinction honors successful graduates of WV public schools who embody the spirit of giving and loyalty to the Mountain State

Graduates of Distinction is a signature event for The Education Alliance. This event 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 2001 honorees exemplify the human spirit of giving back in tremendous ways to their home state. Whether through



The 2001 Graduates of Distinction include (l to r): Mark McVey, Beth McVey Adams and James "Buck" Harless.

their philanthropic efforts or their exceptional talents, they continue to assist in helping others achieve their goals. One of the honorees for the 2001 class of Graduates of Distinction was James "Buck" Harless. He is one of the people who had the vision to start and grow The West Virginia Fund (now The Education Alliance). A graduate of Gilbert High School, Mr. Harless is noted throughout the state of West Virginia and the world as a respected businessman and philanthropic leader. His commitment to education and the youth of West Virginia is exemplary.

Mark McVey and Beth McVey Adams were honored as the first sibling team, both graduates of Huntington High School. Mark McVey made his Broadway debut in "Les Miserables" and his Carnegie Hall debut with Marvin Hamlisch. He has performed with numerous symphonies around the world. Beth McVey Adams, a former Miss West Virginia whose credits include "42 Street," "Phantom of the Opera," and "Beauty and the Beast," is currently touring with Barry Manilow in the "Copacabana Show." The siblings continue to give back to their native state through various fundraisers. As a special treat this year, Beth McVey Adams performed a benefit concert, "Cabaret on Broadway," which took the audience on a musical journey of her career from high school to Broadway.



The Education Alliance looks for innovative ways to fund programs for West Virginia's public schools

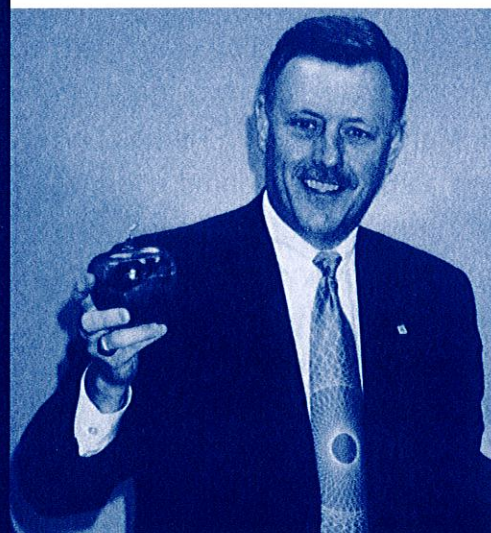
Don't judge each day by the harvest you reap but by the seed you plant.

— Robert Louis Stevenson

The Education Alliance views its development efforts and special events as seeds planted to cultivate a better understanding of the organization's mission and to raise awareness of the issues facing public education today. The Alliance regards events such as the Graduates of Distinction, the Pumpkin Drop and the Annual Dinner as "Fundraisers" that help the organization connect with the public it serves. These memorable events allow business and community members to see how The Education Alliance actually works to promote student success in K-12 education.

The Apple Legacy

The Education Alliance has supported public education in a variety of ways for 18 years. This support continues through the gifts of many loyal donors who understand the stewardship involved in providing the best quality education to West Virginia's students. Recognizing this, the Alliance partnered with Blenko Glass of West Virginia to create a special apple to acknowledge gifts of \$500 or more. First in the series, the 2001 Apple is green representing stewardship.



Herman Dixon, Agency Field Representative for State Farm, proudly displays his Blenko Glass apple. In 2001, The Education Alliance began awarding glass apples to contributors of \$500 or more.

The Claude Worthington Benedum Challenge Grant

The Benedum Foundation has awarded The Education Alliance a \$100,000 challenge grant. The grant matches dollar for dollar every new or increased contribution, and demonstrates the Benedum Foundation's faith in the Alliance's efforts to improve the quality of education in West Virginia.

Pumpkin Drop

Over 200 students from eleven schools participated in the third annual Pumpkin Drop at the West Virginia State Capitol on October 26, 2000. The event, co-sponsored by The Education Alliance and Aventis, was judged by the WVU College of Engineering and Mineral Resources. Students from eight counties tested engineering, math and physics skills by creating "packages" for pumpkins to keep them from breaking when dropped from the roof of the Capitol. Of the 44 "pumpkin packages" dropped, six pumpkins survived, with Calvary Baptist Academy of Putnam County taking first place honors for landing closest to the target. Second place went to South Charleston Junior High School in Kanwaha County, third place went to Blennerhassett Junior High School in Wood County, and the Most Original Design award went to Oak Hill High School in Fayette County. Cash prizes were awarded to the schools on behalf of the winning teams.

Annual Dinner

The Education Alliance's Annual Dinner was held December 7, 2000 at the Charleston Marriott Town Center honoring West Virginia teachers who received National Board Certification from the National Board for Professional Teaching Standards. A special tribute was given to Mrs. Vivian Owens, Founding Executive Director of The Alliance, who retired in April after having served as an executive-on-loan to West Virginia University's Benedum Center for Education Reform.

Jay S. Pifer (center), President of Allegheny Power, presents a framed collage of pictures from the West Virginia State Fair to Dr. Hazel K. Palmer (l), President and CEO of The Education Alliance, and Pamela Scaggs, Director of Development for the Alliance. At its booth at the WV State Fair, Allegheny Power raised \$2,000 for the Alliance.





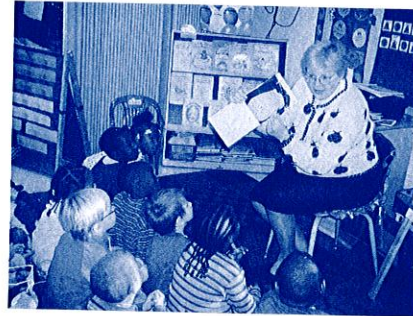
Contributors large and small support the efforts of The Education Alliance during 2000-2001

Founders Circle - \$100,000 and above

Claude Worthington Benedum Foundation

Leaders Circle - \$25,000 to \$99,999

Columbia Gas Transmission
The Dow Chemical Foundation
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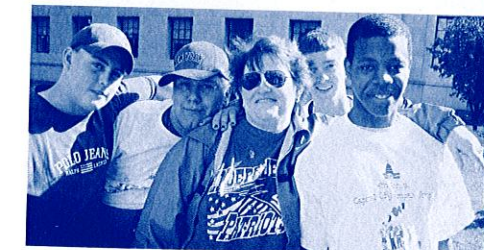


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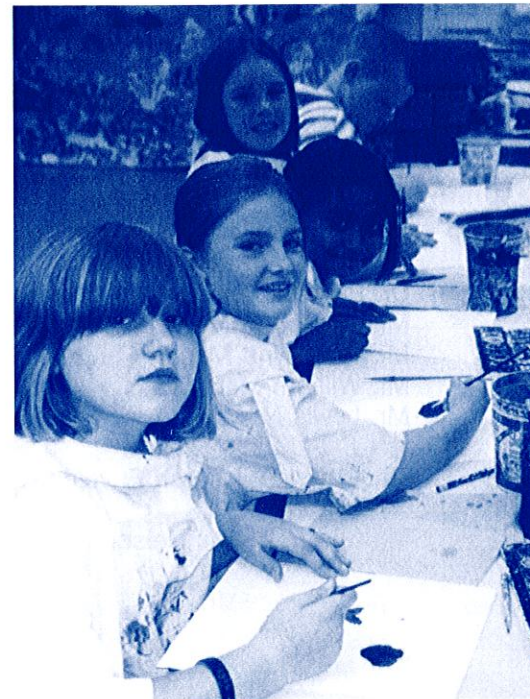
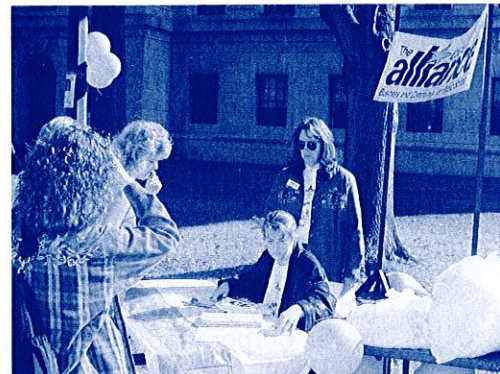


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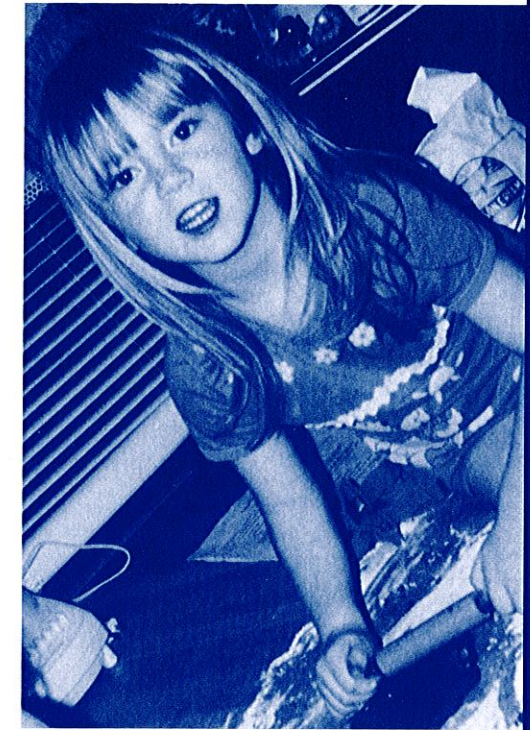


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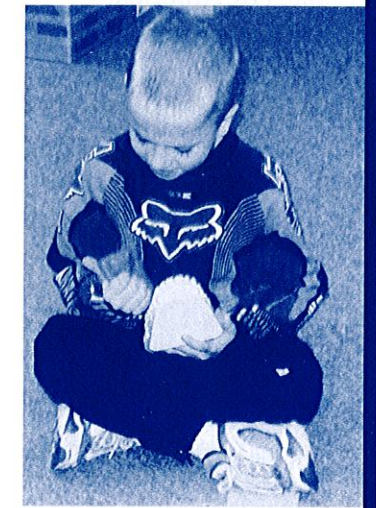


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In-Kind Contributions

The State Journal
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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, 2001 and 2000, 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 auditing standards generally accepted in the United States of America. 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, 2001 and 2000, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Suttle & Stalnaker, PLLC

July 31, 2001

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Current assets		
Cash and cash equivalents - partially restricted	\$ 30,775	\$ 11,776
Short-term investments - partially restricted	453,519	510,949
Pledges and grants receivable	1,530	5,000
Other current assets	7,201	4,098
Total current assets	<u>493,025</u>	<u>531,823</u>
Furnishings and equipment		
Automobile	15,756	15,756
Office equipment	31,434	36,291
	<u>47,190</u>	<u>52,047</u>
Less accumulated depreciation	40,309	41,878
	<u>6,881</u>	<u>10,169</u>
	<u>\$ 499,906</u>	<u>\$ 541,992</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 1,637	\$ 28,399
Accrued payroll and related liabilities	6,179	20,102
Refundable advances	118,961	80,941
Total current liabilities	<u>126,777</u>	<u>129,442</u>
Net assets		
Unrestricted	156,967	137,336
Temporarily restricted	216,162	275,214
Total net assets	<u>373,129</u>	<u>412,550</u>
	<u>\$ 499,906</u>	<u>\$ 541,992</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, 2001 AND 2000

	2001			2000		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and support						
Gifts and grants	\$ 202,116	\$ 321,682	\$ 523,798	\$ 148,992	\$ 451,894	\$ 600,886
Special events	62,935	-	62,935	42,791	-	42,791
Investment income (loss)	36,002	14,358	50,360	(29,898)	19,581	(10,317)
Total revenue	301,053	336,040	637,093	161,885	471,475	633,360
Net assets released from Restrictions	395,092	(395,092)	-	604,527	(604,527)	-
Total support and revenue	696,145	(59,052)	637,093	766,412	(133,052)	633,360
Expenses						
Program services:						
Classroom minigrants	71,653	-	71,653	101,806	-	101,806
Partnerships in education	22,049	-	22,049	55,274	-	55,274
Read aloud	66,456	-	66,456	64,223	-	64,223
Education policy research	58,321	-	58,321	169,992	-	169,992
Business council for education	123,456	-	123,456	131,776	-	131,776
Education reform	127,304	-	127,304	134,207	-	134,207
Other	38,597	-	38,597	107,217	-	107,217
Total program services	507,836	-	507,836	764,495	-	764,495
Management and general	76,833	-	76,833	69,627	-	69,627
Fund raising	91,845	-	91,845	91,902	-	91,902
Total expense	676,514	-	676,514	926,024	-	926,024
CHANGE IN NET ASSETS	19,631	(59,052)	(39,421)	(159,612)	(133,052)	(292,664)
Net assets, beginning of year	137,336	275,214	412,550	296,948	408,266	705,214
Net assets, end of year	\$ 156,967	\$ 216,162	\$ 373,129	\$ 137,336	\$ 275,214	\$ 412,550

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, 2001 AND 2000

	2001	2000
Cash from operations		
Change in net assets	\$ (39,421)	\$ (292,664)
Add adjustments not affecting cash:		
Depreciation	4,688	5,051
Investment (income) loss credited directly to investment		
Accounts	(49,117)	13,354
Decrease (increase) in operating assets		
Pledges receivable	3,470	1,078
Other current assets	(3,103)	11,781
Increase (decrease) in operating liabilities		
Accounts payable	(26,762)	22,860
Payroll and related liabilities	(13,923)	(1,486)
Refundable advances	38,020	(42,045)
Cash provided (used) by operations	(86,148)	(282,071)
Cash from investing activities		
Purchases of equipment	(1,400)	-
Sales of short-term investments	106,547	270,007
Purchases of short-term investments	-	-
Cash provided (used) by investing activities	105,147	270,007
INCREASE (DECREASE) IN CASH	18,999	(12,064)
Cash and cash equivalents, beginning of year	11,776	23,840
Cash and cash equivalents, end of year	\$ 30,775	\$ 11,776

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, 2001 AND 2000

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 Alliance is to advance the quality of public education in West Virginia schools.

The programs of the Alliance include Classroom Minigrants, Partnerships in Education, Read Aloud, Business Council for Education, Education Policy Research, Education Reform, 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. 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.

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.

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2001 AND 2000

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

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.

RECLASSIFICATIONS - Certain amounts in the 2000 financial statements have been reclassified to conform with the 2001 presentation. Such reclassifications had no effect on net assets or the change in net assets as previously reported.

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2001 AND 2000

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, 2001 and 2000, are summarized as follows:

	<u>2001</u>	<u>2000</u>
Money Market Funds	\$ 10,041	\$ 12,127
Common Stocks	202,186	238,213
U.S. Treasury Obligations	<u>241,292</u>	<u>260,609</u>
	<u>\$ 453,519</u>	<u>\$ 510,949</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, 2001 and 2000:

	<u>2001</u>	<u>2000</u>
Interest and Dividends	\$ 21,160	\$ 31,519
Net Gains (Losses) on Investments	<u>27,957</u>	<u>(44,873)</u>
	49,117	(13,354)
Interest on Cash and Cash Equivalents	<u>1,243</u>	<u>3,037</u>
	<u>\$ 50,360</u>	<u>\$ (10,317)</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, 2001, and 2000 consist of the following:

	<u>2001</u>	<u>2000</u>
Benedum Foundation - Education Reform	\$ 7,064	\$ 10,442
Benedum Foundation - Operating Support	83,035	-
Benedum Foundation - Education Policy Research	<u>28,862</u>	<u>70,499</u>
	<u>\$ 118,961</u>	<u>\$ 80,941</u>

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2001 AND 2000

NOTE 4 -- TEMPORARILY RESTRICTED NET ASSETS

Temporarily Restricted Net Assets at June 30, 2001 and 2000, consists of gifts and grants for the following programs:

	<u>2001</u>	<u>2000</u>
Business Council for Education	\$ 182,197	\$ 260,202
Working on Wellness Initiative	-	470
College Bound	-	1,683
Bell Atlantic - World School Website	528	1,968
Bell Atlantic Scholarships	13,466	5,880
Tech Corps	390	390
AT&T Teacher Fellowship	4,621	4,621
Family Involvement	14,685	-
School Health	<u>275</u>	<u>-</u>
	<u>\$ 216,162</u>	<u>\$ 275,214</u>

NOTE 5 -- OPERATING LEASES

The Alliance leases its office space under an operating lease which expires on April 30, 2004. The Alliance also leases certain office equipment under short term agreements. Total rent expense for the years ended June 30, 2001 and 2000 was \$48,595 and \$42,875, respectively. Minimum future rental payments under this lease are as follows:

2002	\$39,600
2003	\$39,600
2004	\$33,000

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 \$18,838 and \$28,308 for the years ended June 30, 2001 and 2000 respectively.

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, 2001 and 2000, 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, 2001 and 2000, 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, 2001 and 2000, taken as a whole.

Suttle & Stalnaker, PLLC

July 31, 2001

THE EDUCATION ALLIANCE-BUSINESS AND
COMMUNITY FOR PUBLIC SCHOOLS, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2001

	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	Other				
GRANTS & AWARDS	\$ 45,625	\$ -	\$ -	\$ -	\$ 8,000	\$ -	\$ 17,331	\$ 70,956	\$ -	\$ -	\$ 70,956
PROGRAM MANAGEMENT & SERVICES											
Payroll & related expenses	16,399	10,163	40,405	22,337	64,726	115,294	14,002	283,326	60,838	41,287	385,451
Rent	3,058	4,711	5,767	12,147	9,398	-	2,592	37,673	4,854	6,068	48,595
Supplies	827	1,102	777	795	1,096	485	82	5,164	2,435	1,163	8,762
Telephone	661	1,257	1,790	1,000	2,261	502	638	8,109	1,910	1,650	11,669
Printing	1,475	1,168	753	6,735	1,763	-	1,940	13,834	785	1,185	15,804
Postage	1,418	811	564	419	514	60	649	4,435	1,399	1,114	6,948
Travel	624	605	1,756	387	1,101	9,097	483	14,053	766	4,223	19,042
Accounting fees	1,112	1,482	1,482	2,965	2,965	-	741	10,747	1,482	2,595	14,824
Conferences	-	-	12,974	-	30,407	-	-	43,381	16,575	9,436	69,392
Meetings	129	287	188	-	144	30	-	778	215	603	1,596
Other	325	463	-	11,536	1,081	1,836	139	15,380	586	7,509	23,475
TOTAL PROGRAM MANAGEMENT & SERVICES	26,028	22,049	66,456	58,321	115,456	127,304	21,266	436,880	91,845	76,833	605,558
TOTAL EXPENSES	\$ 71,653	\$ 22,049	\$ 66,456	\$ 58,321	\$ 123,456	\$ 127,304	\$ 38,597	\$ 507,836	\$ 91,845	\$ 76,833	\$ 676,514

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

	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	Other							
GRANTS & AWARDS	\$ 61,615	\$ 6,000	\$ 1,000	\$ -	\$ 9,000	\$ -	\$ 46,389	\$ 124,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,004
PROGRAM MANAGEMENT & SERVICES														
Payroll & related expenses	28,516	28,648	39,091	137,413	58,084	119,772	44,956	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	1,615	10,179	1,614	1,546	13,339			
Printing	1,252	2,109	498	3,163	786	-	2,997	10,805	1,209	158	12,172			
Postage	1,818	1,186	785	1,284	754	136	904	6,867	1,448	1,072	9,387			
Travel	2,543	2,392	2,057	2,267	1,524	12,805	845	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	60,828	640,491	91,902	69,627	802,020			
TOTAL EXPENSES	\$ 101,806	\$ 55,274	\$ 64,223	\$ 169,992	\$ 131,776	\$ 134,207	\$ 107,217	\$ 764,495	\$ 91,902	\$ 69,627	\$ 926,024			



Staff

Hazel K. Palmer, Ed.D.
President and CEO

Jody Dodd Cottrill
Program Manager

Mary Humphrey
Development Assistant/Administrative Assistant

Pamela Scaggs
Development Director

Michele Scott
Program Coordinator

Randy Shillingburg
Program Manager

Tammy Thomas
Bookkeeper/Secretary

November 2001



Hazel K. Palmer
President and CEO

Michael A. Albert
Chairman of the Board

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