

**THE EDUCATION TRUST  
AND ITS SUPPORTING ORGANIZATIONS  
(U.S. EDUCATION DELIVERY INSTITUTE, INC.  
AND DATA QUALITY CAMPAIGN, INC.)**

**AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2012 AND 2011**

**The Education Trust and its Supporting Organizations  
(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Table of Contents**

---

	<b>Page</b>
<b>Independent Auditor's Report</b>	<b>1</b>
<b>Audited Consolidated Financial Statements</b>	
Consolidated Statements of Financial Position	2
Consolidated Statements of Activities and Changes in Net Assets	3
Consolidated Statements of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 16
<b>Supplementary Information</b>	
<b>Independent Auditor's Report on Supplementary Information</b>	<b>17</b>
Schedules of Financial Position of The Education Trust - Stand-Alone Basis	18
Schedules of Activities and Changes in Net Assets of The Education Trust - Stand-Alone Basis	19
Schedules of Functional Expenses of The Education Trust - Stand-Alone Basis	20 - 21
Consolidating Schedules of Financial Position	22 - 25
Consolidating Schedules of Activities and Changes in Net Assets	26 - 27



805 King Farm Boulevard  
Suite 300  
Rockville, Maryland 20850

☎ 301.231.6200  
☎ 301.231.7630  
www.aronsonllc.com  
info@aronsonllc.com

## Independent Auditor's Report

Board of Directors

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**  
Washington, D.C.

We have audited the accompanying Consolidated Statements of Financial Position of **The Education Trust and its Supporting Organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)** (the Consolidated Entities) as of June 30, 2012 and 2011, and the related Consolidated Statements of Activities and Changes in Net Assets, and Cash Flows for the years then ended. These consolidated financial statements are the responsibility of the Consolidated Entities' management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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 audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entities' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of **The Education Trust and its Supporting Organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)** as of June 30, 2012 and 2011, and the consolidated changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Rockville, Maryland  
October 17, 2012

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidated Statements of Financial Position**

<i>June 30,</i>	<b>2012</b>	<b>2011</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 5,972,934	\$ 5,587,581
Contributions receivable	4,393,085	9,746,787
Accounts receivable	229,833	176,237
Other receivable	-	242,662
Prepaid expenses	293,627	388,508
<b>Total current assets</b>	<b>10,889,479</b>	<b>16,141,775</b>
<b>Investments</b>	<b>6,584,397</b>	<b>7,981,354</b>
<b>Contributions receivable, net of current portion</b>	<b>2,536,500</b>	<b>2,850,000</b>
<b>Property and equipment, net</b>	<b>711,255</b>	<b>946,311</b>
<b>Deposits</b>	<b>57,315</b>	<b>56,315</b>
<b>Total assets</b>	<b>\$ 20,778,946</b>	<b>\$ 27,975,755</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 470,264	\$ 836,127
Accrued payroll and related expenses	826,774	646,707
Deferred revenue	12,886	8,025
<b>Total current liabilities</b>	<b>1,309,924</b>	<b>1,490,859</b>
<b>Long term liabilities</b>		
Deferred rent	737,564	894,726
<b>Total liabilities</b>	<b>2,047,488</b>	<b>2,385,585</b>
<b>Net assets</b>		
Unrestricted	9,548,467	8,158,327
Temporarily restricted	9,182,991	17,431,843
<b>Total net assets</b>	<b>18,731,458</b>	<b>25,590,170</b>
<b>Total liabilities and net assets</b>	<b>\$ 20,778,946</b>	<b>\$ 27,975,755</b>

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**  
**Consolidated Statements of Activities and Changes in Net Assets**

<i>Years Ended June 30,</i>	<b>2012</b>			<b>2011</b>		
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Support and revenue</b>						
Contributions	\$ 2,347,729	\$ 7,519,006	\$ 9,866,735	\$ 1,829,341	\$ 15,477,808	\$ 17,307,149
Contracts	833,120	-	833,120	659,833	-	659,833
Program service fees	200,864	-	200,864	196,750	-	196,750
Registration fees	94,450	-	94,450	118,050	-	118,050
Investment income	157,652	-	157,652	134,301	-	134,301
Other income	38,499	-	38,499	89,154	-	89,154
Publication and merchandise, net	5,279	-	5,279	11,556	-	11,556
Net assets released from restrictions	15,767,858	(15,767,858)	-	13,268,739	(13,268,739)	-
<b>Total support and revenue</b>	<b>19,445,451</b>	<b>(8,248,852)</b>	<b>11,196,599</b>	<b>16,307,724</b>	<b>2,209,069</b>	<b>18,516,793</b>
<b>Expenses</b>						
Program services	16,702,209	-	16,702,209	13,459,985	-	13,459,985
Fundraising	696,297	-	696,297	184,364	-	184,364
General and administrative	656,805	-	656,805	665,392	-	665,392
<b>Total expenses</b>	<b>18,055,311</b>	<b>-</b>	<b>18,055,311</b>	<b>14,309,741</b>	<b>-</b>	<b>14,309,741</b>
<b>Change in net assets</b>	<b>1,390,140</b>	<b>(8,248,852)</b>	<b>(6,858,712)</b>	<b>1,997,983</b>	<b>2,209,069</b>	<b>4,207,052</b>
<b>Net assets, beginning of year</b>	<b>8,158,327</b>	<b>17,431,843</b>	<b>25,590,170</b>	<b>6,160,344</b>	<b>15,222,774</b>	<b>21,383,118</b>
<b>Net assets, end of year</b>	<b>\$ 9,548,467</b>	<b>\$ 9,182,991</b>	<b>\$ 18,731,458</b>	<b>\$ 8,158,327</b>	<b>\$ 17,431,843</b>	<b>\$ 25,590,170</b>

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidated Statements of Cash Flows**

<i>Years Ended June 30,</i>	<b>2012</b>	<b>2011</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (6,858,712)	\$ 4,207,052
<b>Adjustments to reconcile change in net assets to net cash (used) provided by operating activities</b>		
Depreciation and amortization	274,451	266,699
Unrealized (gains) losses on investments	(39,928)	14,061
Discount for long-term contributions	(133,500)	(150,000)
<b>(Increase) decrease in:</b>		
Contributions receivable	5,800,702	(2,262,924)
Accounts receivable	(53,596)	(71,893)
Other receivable	242,662	(242,662)
Prepaid expenses	94,881	(250,980)
Deposits	(1,000)	550
<b>Increase (decrease) in:</b>		
Accounts payable	(365,863)	350,447
Accrued payroll and related expenses	180,067	183,836
Deferred revenue	4,861	8,025
Deferred rent	(157,162)	476,079
<b>Net cash (used) provided by operating activities</b>	<b>(1,012,137)</b>	<b>2,528,290</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(39,395)	(890,675)
Purchase of investments	(4,790,660)	(10,025,460)
Proceeds from redemptions of investments	6,227,545	9,919,119
<b>Net cash provided (used) in investing activities</b>	<b>1,397,490</b>	<b>(997,016)</b>
<b>Net change in cash and cash equivalents</b>	<b>385,353</b>	<b>1,531,274</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,587,581</b>	<b>4,056,307</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 5,972,934</b>	<b>\$ 5,587,581</b>

The accompanying Notes to Consolidated Financial Statements are an integral part of these financial statements.

# **The Education Trust and its Supporting Organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

## **Notes to Consolidated Financial Statements**

### **1. Organization and significant accounting policies**

#### **Nature of operations of the Consolidated Entities:**

**The Education Trust** – The Education Trust is a nonprofit organization that promotes high academic achievement for all students at all levels - pre-kindergarten through college. The Education Trust's goal is to close the gaps in opportunity and achievement that consign far too many young people - especially those from low-income families or who are black, Latino, or American Indian - to lives on the margins of the American mainstream.

Although many organizations speak up for the adults employed by schools and colleges, The Education Trust speaks up for students, especially those whose needs and potential are often overlooked. The Education Trust evaluates every policy, every practice, and every dollar spent through a single lens: what is right for students. The Education Trust carries out its mission in three primary ways:

Working alongside educators, parents, students, policymakers, and civic and business leaders in communities across the country, providing practical assistance in their efforts to transform schools and colleges into institutions that serve all students well.

Analyzing local, state, and national data and use what is learned to help build broader understanding of achievement and opportunity gaps and the actions necessary to close them.

Participating actively in national and state policy debates, bringing lessons learned from on-the-ground work and from unflinching data analyses to build the case for policies that will help all students and schools reach high levels of achievement.

**U.S. Education Delivery Institute, Inc.** – In 2010, the dormant supporting organization for The Education Trust was revived and its name changed to U.S. Education Delivery Institute, Inc. (USEDI). USEDI is a Type I supporting organization to The Education Trust under section 509(a)(3) with a mission to build the capacity of leaders in K-12 and higher education to implement their key education priorities. USEDI began operations April 1, 2010.

**Data Quality Campaign, Inc.** – Data Quality Campaign, Inc. (DQC), is a Type I supporting organization to The Education Trust under section 509(a)(3) with a mission to encourage and support state policymakers to improve the availability and use of high-quality education data to improve student achievement. DQC was previously operated as an in-house program of ACT, Inc. All related program activity was assigned and transferred directly to DQC on June 24, 2011.

# **The Education Trust and its Supporting Organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

## **Notes to Consolidated Financial Statements**

---

**Basis of consolidation:** The Education Trust is consolidated with its supporting organizations since The Education Trust has the ability to appoint the majority of the supporting organizations' board members and the rights to any residual economic interest that exists through residual assets. The supporting organizations' missions support The Education Trust by furthering the mission of The Education Trust. The supporting organizations maintain separate management, systems, and operations. There are no funds raised or held by any organization on behalf of another organization. All intercompany transactions have been eliminated. The consolidated financial statements include the activity of The Education Trust, USED I and DQC (the supporting organizations), which are collectively referred to herein as the Consolidated Entities.

**Basis of accounting:** The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations.

**Basis of presentation:** Net assets and revenues of the Consolidated Entities are classified based on the existence or absence of donor-imposed restrictions and reported as follows:

**Unrestricted net assets:** Net assets that are not subject to donor-imposed stipulations.

**Temporarily restricted net assets:** Net assets subject to donor-imposed stipulations that will be met either by actions of the Consolidated Entities and/or the passage of time.

**Cash and cash equivalents:** For purposes of financial statement presentation, the Consolidated Entities considers all highly liquid debt instruments with initial maturities of ninety days or less to be cash equivalents. The Consolidated Entities maintain cash balances which may exceed Federally insured limits. Management does not believe that this results in any significant credit risk.

**Contributions receivable:** The Consolidated Entities record unconditional contributions of gifts in the financial statements at the time contributions are made or received. An allowance for doubtful accounts is allocated on an account by account basis. The discount on contributions is computed at a discount rate approximating the prevailing local borrowing rate.



**The Education Trust and its Supporting Organizations  
(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

---

**Accounts receivable:** Services performed and billed under contracts but not yet received are shown as accounts receivable. All balances are considered fully collectible by the Consolidated Entities, therefore no allowance was deemed necessary.

**Prepaid expenses:** Prepaid expenses are predominantly payments for rent and insurance paid in advance.

**Investments:** Investments are stated at fair value based on published market values and consist of cash, certificates of deposits, corporate bonds, and asset backed securities with maturities greater than three months. All investments are owned by The Education Trust.

**Property and equipment:** Property and equipment of the Consolidated Entities are recorded at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is being computed on a straight-line basis over estimated lives of three to five years. Leasehold improvements are amortized over the lease term. The Consolidated Entities capitalize all fixed assets greater than \$500.

**Revenue Recognition:**

**Contributions:** The Consolidated Entities recognize all unconditional contributions and grants received as income in the period received or pledged. Unconditional contributions are reported as unrestricted, temporarily restricted or permanently restricted depending on the absence or existence of donor stipulations that limit the use of the contributions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Management believes all contributions are fully collectible and no allowance for uncollectible contributions has been recorded.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted net assets are reported as unrestricted net assets if the restrictions are met in the same period the funds were received.

# **The Education Trust and its Supporting Organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

## **Notes to Consolidated Financial Statements**

---

Donated services are valued at the vendors estimated cost of the project. For the years ended June 30, 2012 and 2011, donated services were \$12,765 and \$16,567, respectively, and were included in contributions on the Consolidated Statements of Activities and Changes in Net Assets.

**Contracts:** The Consolidated Entities recognize contract revenue when the deliverable is substantially met.

**Program service fees:** Service fees are collected by The Education Trust for speaking engagements and consultation support and are recognized upon performance of the service. Management believes that the related receivables are fully collectible and no allowance for doubtful accounts was recorded.

**Registration fees:** Fees are recognized by The Education Trust during the month in which the conference or seminar is held.

**Publication and merchandise:** Revenue from sales of educational material related to The Education Trust's program activity and merchandise supporting the program message is recognized at the time of the sale.

**Functional allocation of expenses:** The costs of the Consolidated Entities providing the various programs and other activities have been summarized on a functional basis in the Consolidated Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The programs change definition and composition over time based on projects being conducted.

**Income tax status:** The Consolidated Entities consist of tax exempt entities. They are exempt from Federal income tax under 501(c)(3) of the Internal Revenue Code, and are all classified as an organization that is not a private foundation.

The Consolidated Entities evaluate uncertainty in income tax positions based on a more-likely-than-not recognition standard. If that threshold is met, the tax position is then measured at the largest amount that is greater than 50% likely of being realized upon ultimate settlement. As of June 30, 2012, there are no accruals for uncertain tax positions. If applicable, the Consolidated Entities record interest and penalties as a component of income tax expense. Tax years from 2009 through the current year remain open for examination by tax authorities.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

**Use of estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent events:** Management has evaluated subsequent events for disclosure in these consolidated financial statements through October 17, 2012, which is the date the consolidated financial statements are available to be issued.

**2. Contributions receivable**

At June 30, 2012 and 2011, the Consolidated Entities had contributions receivable from corporations and private foundations.

Receivables consist of the following as of June 30:

	<b>2012</b>	2011
Contributions receivable	\$ 7,063,085	\$ 12,746,787
Due within one year	(4,393,085)	(9,746,787)
	<b>2,670,000</b>	3,000,000
Present value discount	(133,500)	(150,000)
<b>Total long term</b>	<b>\$ 2,536,500</b>	<b>\$ 2,850,000</b>

All long term receivables belong to The Education Trust. No allowance for uncollectible contributions has been recorded as the Consolidated Entities believe all contributions are fully collectible. The receivables collectible beyond one year have been discounted to their present value using a 5% rate of return.

The consolidating schedule of contributions receivable is as follows as of June 30:

	<b>2012</b>	2011
Contributions receivable by The Education Trust	\$ 6,563,085	\$ 7,546,131
Contributions receivable by DQC	-	2,545,408
Contributions receivable by USED I	500,000	2,655,248
Subtotal	<b>7,063,085</b>	12,746,787
Present value discount for The Education Trust	(133,500)	(150,000)
<b>Total contributions receivable</b>	<b>\$ 6,929,585</b>	<b>\$ 12,596,787</b>

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

- 3. Other receivable**      On June 24, 2011, ACT, Inc. transferred remaining balances of payments received under grant awards to DQC. The receivable consists of the following at June 30:

	2011
Donation to DQC	\$ 100,000
Holdback for contingencies	25,000
Remaining grant receipts	117,662
<b>Total other receivable</b>	<b>\$ 242,662</b>

- 4. Investments**      The following is a summary of The Education Trust's investments as of June 30, 2012 and 2011. USED and DQC had no assets included in the investment balances below:

	2012	2011
Money market fund	\$ 254,822	\$ 404,211
Government securities	25,166	48,458
Corporate fixed income	118,652	161,033
Certificates of deposit	6,185,757	7,367,652
<b>Total investments</b>	<b>\$ 6,584,397</b>	<b>\$ 7,981,354</b>

USED's investment income stems from interest bearing cash account included with cash and cash equivalents on the Consolidated Statements of Financial Position.

Investment income and gains (losses) on investments for the years ended June 30, 2012 and 2011 consisted of the following:

June 30, 2012	DQC	The Education Trust	USED	Total
Interest and dividends	\$ 1,597	\$ 108,310	\$ 7,817	\$ 117,724
Unrealized gains	-	39,928	-	39,928
<b>Investment income</b>	<b>\$ 1,597</b>	<b>\$ 148,238</b>	<b>\$ 7,817</b>	<b>\$ 157,652</b>

**The Education Trust and its Supporting Organizations  
(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

June 30, 2011	The Education Trust	USEDI	Total
Interest and dividends	\$ 136,734	\$ 11,628	\$ 148,362
Unrealized losses	(14,061)	-	(14,061)
Investment income	\$ 122,673	\$ 11,628	\$ 134,301

**5. Fair value**

The Education Trust values certain assets at fair value in accordance with a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1. Observable inputs such as quoted prices in active markets for identical assets or liabilities;

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the entity to develop its own assumptions.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

USEDI and DQC had no assets at June 30, 2012 and 2011 that would fall into these categories. The fair value of The Education Trust's assets is as follows:

<b>Fair Value Measurements Using:</b>			
		<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>
<b>June 30, 2012</b>	<b>Total</b>		
Money market fund	\$ 254,822	\$ 254,822	\$ -
Government securities	25,166	-	25,166
Corporate fixed income	118,652	-	118,652
Certificates of deposit	6,185,757	-	6,185,757
<b>Total</b>	<b>\$ 6,584,397</b>	<b>\$ 254,822</b>	<b>\$ 6,329,575</b>

**The Education Trust and its Supporting Organizations  
(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

June 30, 2011	Total	Fair Value Measurements Using:	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Money market fund	\$ 404,211	\$ 404,211	\$ -
Government securities	48,458	-	48,458
Corporate fixed income	161,033	-	161,033
Certificates of deposit	7,367,652	-	7,367,652
<b>Total</b>	<b>\$ 7,981,354</b>	<b>\$ 404,211</b>	<b>\$ 7,577,143</b>

Level 2 values utilized the current interest rates for certificates of deposit with similar time to maturity, discounting the future payments to present value at year end. Mortgage and asset backed securities values were developed utilizing prices for identical assets in markets without active trading volumes.

**6. Property and equipment**

Property and equipment of the Consolidated Entities consist of the following at June 30, 2012 and 2011:

<b>June 30, 2012</b>	The Education Trust	USEDI	DQC	<b>Total</b>
Leasehold improvements	\$ 796,576	\$ -	\$ -	<b>\$ 796,576</b>
Furniture and equipment	503,632	27,575	81,470	<b>612,677</b>
<b>Total</b>	<b>1,300,208</b>	<b>27,575</b>	<b>81,470</b>	<b>1,409,253</b>
Less:				
Accumulated depreciation	(660,744)	(8,278)	(28,976)	<b>(697,998)</b>
<b>Net</b>	<b>\$ 639,464</b>	<b>\$ 19,297</b>	<b>\$ 52,494</b>	<b>\$ 711,255</b>
Depreciation expense	\$ 152,632	\$ 5,520	\$ 19,232	<b>\$ 177,384</b>
Amortization expense	97,067	-	-	<b>97,067</b>
<b>Total depreciation and amortization expense</b>	<b>\$ 240,699</b>	<b>\$ 5,520</b>	<b>\$ 19,232</b>	<b>\$ 274,451</b>

**The Education Trust and its Supporting Organizations  
(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

June 30, 2011	The Education Trust	USEDI	DQC	Total
Leasehold improvements	\$ 893,643	\$ -	\$ -	\$ 893,643
Furniture and equipment	496,638	27,575	49,068	573,281
Total	1,390,281	27,575	49,068	1,466,924
Less:				
Accumulated depreciation	(508,111)	(2,758)	(9,744)	(520,613)
Net	\$ 882,170	\$ 24,817	\$ 39,324	\$ 946,311
Depreciation expense	\$ 157,130	\$ 2,758	\$ 9,744	\$ 169,632
Amortization expense	97,067	-	-	97,067
Total depreciation and amortization expense	\$ 254,197	\$ 2,758	\$ 9,744	\$ 266,699

**7. Assignment**

DQC was previously operated as an in-house program of ACT, Inc. for which ACT, Inc. received foundation grants. On February 23, 2011, the DQC program branched off and incorporated as an entity independent from ACT, Inc. and became a supporting organization of The Education Trust. ACT, Inc. has no ongoing control or ownership of DQC. The Consolidated Entities have accounted for the assignment of the foundation grants and amounts to be received from them as contributions in the Consolidated Statements of Activities and Changes in Net Assets. The related program activity assigned and transferred directly to the DQC entity on June 24, 2011 was as follows:

	2011
Assets from ACT, Inc. for foundation grants not yet expended	\$ 1,632,608
Contributions receivable re-assigned to DQC	2,545,408
Receivable from ACT, Inc. to DQC for donation	100,000
Donation of equipment from ACT, Inc. to DQC	19,901
Total revenue recognized on assignment	\$ 4,297,917

No assignments took place in the year ended June 30, 2012.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

**8. Office lease**

The Education Trust is obligated, as lessee, under non-cancelable operating leases for office space. The leases of USED and DQC are eliminated upon consolidation. The minimum payments required under the leases are expensed on a pro rata basis over the term of the leases. The difference between the amounts expensed and the required lease payments is reflected as deferred rent in the accompanying Consolidated Statements of Financial Position. The following is a schedule by year of future minimum rental payments required under the operating leases that have an initial or remaining non-cancelable lease term in excess of one year as of June 30, 2012:

Year Ending June 30	Amount
2013	\$ 1,573,873
2014	1,575,119
2015	1,491,338
2016	127,691
<b>Total</b>	<b>\$ 4,768,021</b>

Total rent expense of The Education Trust for the year ended June 30, 2012 and 2011 was \$1,413,165 and \$1,247,971, respectively.

The Education Trust subleases space to USED and DQC.

**9. Temporarily restricted net assets**

Temporarily restricted net assets of the Consolidated Entities consist of amounts restricted for time and purpose by donors for the following programs: Making Opportunity Affordable - College Costs, Access and Success for Students; College and Career Ready California; Advocacy for a Robust Education Data System; Advance Teacher Quality Policies; Extending Awareness and Use of Equity Audit; Knowledge-Sharing Effort on Successful Educational Leadership; Community Outreach and Dissemination; USED, and DQC.

Temporarily restricted net assets at June 30, 2012 and 2011 were as follows:

	2012	2011
The Education Trust programs	\$ 8,682,991	\$ 12,231,187
USED	500,000	2,655,248
DQC	-	2,545,408
<b>Total temporarily restricted net assets</b>	<b>\$ 9,182,991</b>	<b>\$ 17,431,843</b>



**The Education Trust and its Supporting Organizations  
(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

**10. Concentration** Concentrations existed for the Consolidated Entities in support and revenue, and contributions receivable. Concentrations by entity are as follows:

	<b>2012</b>	<b>2011</b>
The Education Trust support and revenue	<b>30%</b> <b>from two private foundations</b>	59% from one private foundation
The Education Trust contributions receivable	<b>67%</b> <b>from three private foundations</b>	79% from one private foundation
USEDI support and revenue	<b>88%</b> <b>from two private foundations</b>	N/A
USEDI contributions receivable	<b>76%</b> <b>from one private foundation</b>	98% from two private foundations
DQC support and revenue	<b>96%</b> <b>from two private foundations</b>	80% from two private foundations
DQC contributions receivable	<b>N/A</b>	100% from two private foundations

**11. Pension plan** The Education Trust maintains a 403(b) defined contribution retirement plan. All employees of The Education Trust are eligible to participate following the completion of three months of service. The Education Trust contributes 4% of each participant's annual salary and will match up to an additional 3% of an employee's contribution. The participants are immediately fully vested in all contributions. The Education Trust contributed \$380,369 and \$304,859 to the plan during the years ended June 30, 2012 and 2011, respectively.

The Education Trust also maintains a tax deferred annuity plan. Employees of The Education Trust are eligible to participate in this plan immediately upon hire. The Education Trust makes no contributions to this plan.

**The Education Trust and its Supporting Organizations  
(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

---

DQC maintains a 401(k) defined contribution retirement plan. All employees of DQC are eligible to participate immediately. DQC contributes 3% of each participant's annual salary and will match up to an additional 6% of an employee's contribution. The participants are immediately fully vested in all contributions. DQC contributed \$113,788 for the year ending June 30, 2012 and \$1,476 to the plan during the period February 23, 2011 to June 30, 2011.

USEDI maintains a 401(k) defined contribution retirement plan. Employees are immediately eligible to participate in USEDI's 401(k) defined contribution plans. The employer baseline contribution is 3% of the employee's qualifying compensation, without regard to the employee's own contribution. USEDI provides an additional matching contribution of up to 2% of the employee's qualifying compensation, equal to 50% of the employee's own 401(k) contribution. The participants are immediately fully vested in all contributions. USEDI contributed \$76,408 and \$45,871 to the plan during the years ended June 30, 2012 and 2011, respectively.

- 12. Related party** In 2011, activity with ACT, Inc. in the formation of DQC as an incorporated entity included the assignment of grants awarded to the DQC program, less expenses incurred, as well as the donations from ACT, Inc. to DQC.

ACT, Inc. subleased space from The Education Trust for a six month period ending June 30, 2011 and made payments totaling \$29,368.

Also in 2012, Achieve, Inc., whose president sits on the board of USEDI, contracted services with USEDI. Revenue earned was \$12,442 and is included as contract income on the Consolidated Statements of Activities and Changes in Net Assets. In 2011, USEDI produced an educational workbook in a partnered effort with Achieve, Inc. Revenue earned was \$35,338 and is included as other income on the Consolidated Statements of Activities and Changes in Net Assets.



## Independent Auditor's Report on Supplementary Information

Board of Directors

**The Education Trust and its Supporting Organizations**

**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

Washington, D.C.

We have audited the consolidated financial statements of **The Education Trust and its Supporting Organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)** as of and for the years ended June 30, 2012 and 2011, and our report thereon dated October 17, 2012, which expressed an unqualified opinion on those consolidated financial statements, appears on page 1. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information presented on pages 18 - 27 is for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Rockville, Maryland

October 17, 2012

805 King Farm Boulevard  
Suite 300  
Rockville, Maryland 20850

☎ 301.231.6200  
☎ 301.231.7630  
www.aronsonllc.com  
info@aronsonllc.com

# The Education Trust

## Schedules of Financial Position - Stand-Alone Basis

<i>June 30,</i>	<b>2012</b>	<b>2011</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,315,555	\$ 2,553,749
Contributions receivable	3,893,085	4,546,131
Accounts receivable	89,717	130,685
Prepaid expenses	214,674	231,902
<b>Total current assets</b>	<b>5,513,031</b>	<b>7,462,467</b>
<b>Investments</b>	<b>6,584,397</b>	<b>7,981,354</b>
<b>Contributions receivable, net of current portion</b>	<b>2,536,500</b>	<b>2,850,000</b>
<b>Property and equipment, net</b>	<b>639,464</b>	<b>882,170</b>
<b>Deposits</b>	<b>57,315</b>	<b>56,315</b>
<b>Total assets</b>	<b>\$ 15,330,707</b>	<b>\$ 19,232,306</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 301,148	\$ 597,694
Accrued expenses	638,814	551,878
Deferred contract revenue	12,886	8,025
<b>Total current liabilities</b>	<b>952,848</b>	<b>1,157,597</b>
<b>Long term liabilities</b>		
Deferred rent	737,564	894,726
<b>Total liabilities</b>	<b>1,690,412</b>	<b>2,052,323</b>
<b>Net assets</b>		
Unrestricted	4,957,304	4,948,796
Temporarily restricted	8,682,991	12,231,187
<b>Total net assets</b>	<b>13,640,295</b>	<b>17,179,983</b>
<b>Total liabilities and net assets</b>	<b>\$ 15,330,707</b>	<b>\$ 19,232,306</b>

The Schedules of Financial Position of The Education Trust - Stand-Alone Basis presents the operations of The Education Trust without those of its supporting organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.).

Refer to Independent Auditor's Report on Supplementary Information.

# The Education Trust

## Schedules of Activities and Changes in Net Assets - Stand-Alone Basis

<i>Years Ended June 30,</i>	2012			2011		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and revenue</b>						
Contributions	\$ 47,704	\$ 7,019,006	\$ 7,066,710	\$ 63,333	\$ 12,945,900	\$ 13,009,233
Grants and contracts	608,361	-	608,361	489,833	-	489,833
Registration fees	94,450	-	94,450	118,050	-	118,050
Program service fees	200,864	-	200,864	196,750	-	196,750
Publication and merchandise, net	5,279	-	5,279	11,556	-	11,556
Investment income	148,238	-	148,238	122,646	-	122,646
Other income	25,982	-	25,982	24,654	-	24,654
Net assets released from restrictions	10,567,202	(10,567,202)	-	10,234,863	(10,234,863)	-
<b>Total support and revenue</b>	<b>11,698,080</b>	<b>(3,548,196)</b>	<b>8,149,884</b>	<b>11,261,685</b>	<b>2,711,037</b>	<b>13,972,722</b>
<b>Expenses</b>						
Program services	10,962,667	-	10,962,667	10,452,968	-	10,452,968
Fundraising	421,762	-	421,762	184,364	-	184,364
General and administrative	305,143	-	305,143	299,259	-	299,259
<b>Total expenses</b>	<b>11,689,572</b>	<b>-</b>	<b>11,689,572</b>	<b>10,936,591</b>	<b>-</b>	<b>10,936,591</b>
<b>Change in net assets</b>	<b>8,508</b>	<b>(3,548,196)</b>	<b>(3,539,688)</b>	<b>325,094</b>	<b>2,711,037</b>	<b>3,036,131</b>
<b>Net assets, beginning of year</b>	<b>4,948,796</b>	<b>12,231,187</b>	<b>17,179,983</b>	<b>4,623,702</b>	<b>9,520,150</b>	<b>14,143,852</b>
<b>Net assets, end of year</b>	<b>\$ 4,957,304</b>	<b>\$ 8,682,991</b>	<b>\$ 13,640,295</b>	<b>\$ 4,948,796</b>	<b>\$ 12,231,187</b>	<b>\$ 17,179,983</b>

The Schedules of Activities and Changes in Net Assets of The Education Trust - Stand-Alone Basis presents the operations of The Education Trust without those of its supporting organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.).

Refer to Independent Auditor's Report on Supplementary Information.

# The Education Trust

## Schedule of Functional Expenses - Stand-Alone Basis

Year Ended June 30, 2012

	Program Services														Total Program Services	Fundraising	General and Administrative	2012 Total																
	TSC		Research		Higher	Teacher	Editorial &		Legislative	EdTrust		ET																						
	K-12 Program	Department	K-12 Policy	Department	Education	Quality	Communications	Design	Affairs	Field	West	NASH	Michigan																					
Salaries and benefits	\$	364,061	\$	407,851	\$	402,088	\$	381,847	\$	882,041	\$	286,157	\$	387,282	\$	549,386	\$	468,254	\$	240,034	\$	1,839,149	\$	66,940	\$	686,114	\$	6,961,204	\$	372,458	\$	223,927	\$	7,557,589
Travel and meetings		344,753		161,277		6,765		6,586		36,260		11,820		8,444		3,323		13,014		13,193		102,854		323,580		68,806		1,100,675		-		3,495		1,104,170
Occupancy		51,301		38,805		51,892		51,607		118,565		36,514		65,284		67,281		64,111		39,542		179,306		7,305		47,687		819,200		43,251		23,756		886,207
Professional fees		118,416		117,078		10,861		12,535		160,339		4,499		68,773		69,989		32,112		5,997		178,171		278,345		63,794		1,120,909		-		42,058		1,162,967
Office supplies		14,380		1,542		2,199		2,081		7,277		1,397		3,431		4,113		2,755		1,240		10,012		681		7,617		58,725		-		-		58,725
Repairs and maintenance		1,268		913		1,369		1,535		2,657		693		1,249		1,196		1,435		534		7,609		422		2,671		23,551		-		3,900		27,451
Printing and design		9,832		1,138		406		396		10,039		286		480		26,015		676		236		18,108		709		10,421		78,742		-		-		78,742
Telephone		5,267		4,657		4,774		4,706		15,865		3,292		8,992		5,957		7,115		3,562		38,190		1,038		17,076		120,491		-		18		120,509
Equipment rental		2,541		1,891		2,633		2,541		4,737		1,810		3,305		3,225		3,462		1,324		8,874		494		3,828		40,665		-		-		40,665
Depreciation and amortization		10,785		8,362		8,272		7,937		16,962		5,780		10,014		10,992		10,548		4,709		38,253		5,465		14,553		152,632		-		-		152,632
Temporary services		1,029		1,022		1,119		906		46		1,008		2,011		3,684		1,017		1,006		3,103		27		34		16,012		-		-		16,012
Postage and shipping		1,780		423		355		248		672		176		409		327		448		236		4,777		233		3,453		13,537		-		93		13,630
Miscellaneous		6,175		1,227		98		227		618		70		714		627		498		792		8,009		3		5,035		24,093		-		7,896		31,989
Insurance		842		593		1,130		1,091		1,864		769		1,461		1,338		1,508		575		4,255		-		1,976		17,402		6,053		-		23,455
Staff development		417		425		33		527		974		24		112		-		40		571		885		49		3,472		7,529		-		-		7,529
Subgrants		-		-		-		-		7,700		-		-		-		-		-		353,800		45,800		-		407,300		-		-		407,300
Total expenses	\$	932,847	\$	747,204	\$	493,994	\$	474,770	\$	1,266,616	\$	354,295	\$	561,961	\$	747,453	\$	606,993	\$	313,551	\$	2,795,355	\$	731,091	\$	936,537	\$	10,962,667	\$	421,762	\$	305,143	\$	11,689,572

The Schedule of Functional Expenses of The Education Trust - Stand-Alone Basis presents the operations of The Education Trust without those of its supporting organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.).

Refer to Independent Auditor's Report on Supplementary Information.

# The Education Trust

## Schedule of Functional Expenses - Stand-Alone Basis

Year Ended June 30, 2011

	Program Services											2011 Total
	K-12 Program	K-12 Policy	Higher Education	Teacher Quality	Gov't Affairs and Communication	EdTrust West	NASH	ET Michigan	Total Program Services	Fundraising	General and Administrative	
Salaries and benefits	\$ 810,224	\$ 811,188	\$ 675,218	\$ 223,431	\$ 1,318,388	\$ 1,715,054	\$ 79,514	\$ 229,635	\$ 5,862,652	\$ 163,788	\$ 195,173	\$ 6,221,613
Travel and meetings	374,632	37,289	13,179	3,565	62,809	132,569	191,296	35,343	850,682	-	9,810	860,492
Occupancy	116,291	144,317	119,083	23,625	214,263	192,956	12,781	25,603	848,919	17,907	23,515	890,341
Professional fees	1,313,861	38,980	42,578	5,627	302,059	144,871	211,262	75,864	2,135,102	-	44,250	2,179,352
Office supplies	8,008	6,298	7,392	1,173	10,154	14,834	2,431	6,903	57,193	-	176	57,369
Repairs and maintenance	2,222	3,163	2,305	591	4,973	2,541	448	1,627	17,870	-	3,901	21,771
Printing and design	10,324	244	641	26	3,391	27,096	1,306	4,881	47,909	-	-	47,909
Telephone	11,979	14,620	15,488	2,649	21,494	33,509	2,732	9,360	111,831	-	38	111,869
Equipment rental	4,875	7,041	5,103	1,295	10,820	8,031	766	1,586	39,517	-	-	39,517
Depreciation and amortization	27,308	23,793	17,111	4,658	38,030	34,275	5,318	6,637	157,130	-	-	157,130
Temporary services	4,053	795	656	195	5,113	34,369	449	5,436	51,066	-	-	51,066
Postage and shipping	2,084	510	350	108	965	5,115	820	2,861	12,813	-	81	12,894
Miscellaneous	4,253	552	173	38	1,411	3,432	68	1,672	11,599	-	22,315	33,914
Insurance	2,274	4,216	2,855	696	6,203	6,526	324	969	24,063	2,669	-	26,732
Staff development	826	102	929	25	1,592	230	58	603	4,365	-	-	4,365
Subgrants	-	-	-	-	-	112,500	107,757	-	220,257	-	-	220,257
Total expenses	\$ 2,693,214	\$ 1,093,108	\$ 903,061	\$ 267,702	\$ 2,001,665	\$ 2,467,908	\$ 617,330	\$ 408,980	\$ 10,452,968	\$ 184,364	\$ 299,259	\$ 10,936,591

The Schedule of Functional Expenses of The Education Trust - Stand-Alone Basis presents the operations of The Education Trust without those of its supporting organizations (U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc).  
Refer to Independent Auditor's Report on Supplementary Information.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidating Schedule of Financial Position**

<i>June 30, 2012</i>	<b>DQC</b>	<b>USEDI</b>	<b>The Education Trust</b>	<b>Eliminating</b>	<b>Total</b>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 2,095,233	\$ 2,562,146	\$ 1,315,555	\$ -	\$ 5,972,934
Contributions receivable	-	500,000	3,893,085	-	4,393,085
Accounts receivable	-	157,965	89,717	(17,849)	229,833
Prepaid expenses	53,854	60,116	214,674	(35,017)	293,627
<b>Total current assets</b>	<b>2,149,087</b>	<b>3,280,227</b>	<b>5,513,031</b>	<b>(52,866)</b>	<b>10,889,479</b>
<b>Investments</b>	<b>-</b>	<b>-</b>	<b>6,584,397</b>	<b>-</b>	<b>6,584,397</b>
<b>Contributions receivable, net of current portion</b>	<b>-</b>	<b>-</b>	<b>2,536,500</b>		<b>2,536,500</b>
<b>Property and equipment, net</b>	<b>52,494</b>	<b>19,297</b>	<b>639,464</b>	<b>-</b>	<b>711,255</b>
<b>Deposits</b>	<b>7,618</b>	<b>-</b>	<b>57,315</b>	<b>(7,618)</b>	<b>57,315</b>
<b>Total assets</b>	<b>\$ 2,209,199</b>	<b>\$ 3,299,524</b>	<b>\$ 15,330,707</b>	<b>\$ (60,484)</b>	<b>\$ 20,778,946</b>

Refer to Independent Auditor's Report on Supplementary Information.



**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidating Schedule of Financial Position**

<i>June 30, 2012</i>	<b>DQC</b>	<b>USEDI</b>	<b>The Education Trust</b>	<b>Eliminating</b>	<b>Total</b>
<b>Liabilities and Net Assets</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 69,575	\$ 117,390	\$ 301,148	\$ (17,849)	\$ 470,264
Accrued payroll and other expenses	185,305	45,290	638,814	(42,635)	826,774
Deferred revenue	-	-	12,886	-	12,886
<b>Total current liabilities</b>	<b>254,880</b>	<b>162,680</b>	<b>952,848</b>	<b>(60,484)</b>	<b>1,309,924</b>
<b>Long term liabilities</b>					
Deferred rent	-	40,696	737,564	(40,696)	737,564
<b>Total liabilities</b>	<b>254,880</b>	<b>203,376</b>	<b>1,690,412</b>	<b>(101,180)</b>	<b>2,047,488</b>
<b>Net assets</b>					
Unrestricted	1,954,319	2,596,148	4,957,304	40,696	9,548,467
Temporarily restricted	-	500,000	8,682,991	-	9,182,991
<b>Total net assets</b>	<b>1,954,319</b>	<b>3,096,148</b>	<b>13,640,295</b>	<b>40,696</b>	<b>18,731,458</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,209,199</b>	<b>\$ 3,299,524</b>	<b>\$ 15,330,707</b>	<b>\$ (60,484)</b>	<b>\$ 20,778,946</b>

Refer to Independent Auditor's Report on Supplementary Information.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidating Schedule of Financial Position**

<i>June 30, 2011</i>	DQC	USEDI	The Education Trust	Eliminating	Total
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 1,239,109	\$ 1,794,723	\$ 2,553,749	\$ -	\$ 5,587,581
Contributions receivable	2,545,408	2,655,248	4,546,131	-	9,746,787
Accounts receivable	-	45,628	130,685	(76)	176,237
Other receivable	242,662	-	-	-	242,662
Prepaid expenses	66,420	125,203	231,902	(35,017)	388,508
<b>Total current assets</b>	4,093,599	4,620,802	7,462,467	(35,093)	16,141,775
<b>Investments</b>	-	-	7,981,354	-	7,981,354
<b>Contributions receivable, net of current portion</b>	-	-	2,850,000	-	2,850,000
<b>Property and equipment, net</b>	39,324	24,817	882,170	-	946,311
<b>Deposits</b>	-	-	56,315	-	56,315
<b>Total assets</b>	\$ 4,132,923	\$ 4,645,619	\$ 19,232,306	\$ (35,093)	\$ 27,975,755

Refer to Independent Auditor's Report on Supplementary Information.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidating Schedule of Financial Position**

<i>June 30, 2011</i>	DQC	USEDI	The Education Trust	Eliminating	Total
<b>Liabilities and Net Assets</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 136,197	\$ 102,312	\$ 597,694	\$ (76)	\$ 836,127
Accrued payroll and related expenses	89,992	39,854	551,878	(35,017)	646,707
Deferred revenue	-	-	8,025	-	8,025
<b>Total current liabilities</b>	226,189	142,166	1,157,597	(35,093)	1,490,859
<b>Long term liabilities</b>					
Deferred rent	-	26,651	894,726	(26,651)	894,726
<b>Total liabilities</b>	226,189	168,817	2,052,323	(61,744)	2,385,585
<b>Net assets</b>					
Unrestricted	1,361,326	1,821,554	4,948,796	26,651	8,158,327
Temporarily restricted	2,545,408	2,655,248	12,231,187	-	17,431,843
<b>Total net assets</b>	3,906,734	4,476,802	17,179,983	26,651	25,590,170
<b>Total liabilities and net assets</b>	\$ 4,132,923	\$ 4,645,619	\$ 19,232,306	\$ (35,093)	\$ 27,975,755

Refer to Independent Auditor's Report on Supplementary Information.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidating Schedule of Activities and Changes in Net Assets**

<i>Year Ended June 30, 2012</i>	<b>DQC</b>	<b>USEDI</b>	<b>The Education Trust</b>	<b>Eliminating</b>	<b>Total</b>
<b>Changes in unrestricted net assets</b>					
<b>Support and revenue</b>					
Contributions	\$ 1,050,000	\$ 1,250,025	\$ 47,704	\$ -	\$ 2,347,729
Contracts	-	224,759	608,361	-	833,120
Program service fees	-	-	200,864	-	200,864
Registration fees	-	-	94,450	-	94,450
Investment income	1,597	7,817	148,238	-	157,652
Other income	1,583	10,934	25,982	-	38,499
Publication and merchandise, net	-	-	5,279	-	5,279
Net assets released from restrictions	2,545,408	2,655,248	10,567,202	-	15,767,858
<b>Total support and revenue</b>	<b>3,598,588</b>	<b>4,148,783</b>	<b>11,698,080</b>	<b>-</b>	<b>19,445,451</b>
<b>Expenses</b>					
Program services	2,720,846	3,018,696	10,962,667	-	16,702,209
Fundraising	274,535	-	421,762	-	696,297
General and administrative	10,214	355,493	305,143	(14,045)	656,805
<b>Total expenses</b>	<b>3,005,595</b>	<b>3,374,189</b>	<b>11,689,572</b>	<b>(14,045)</b>	<b>18,055,311</b>
<b>Change in unrestricted net assets</b>	<b>592,993</b>	<b>774,594</b>	<b>8,508</b>	<b>14,045</b>	<b>1,390,140</b>
<b>Changes in temporarily restricted net assets</b>					
Contributions	-	500,000	7,019,006	-	7,519,006
Net assets released from restrictions	(2,545,408)	(2,655,248)	(10,567,202)	-	(15,767,858)
<b>Change in temporarily restricted net assets</b>	<b>(2,545,408)</b>	<b>(2,155,248)</b>	<b>(3,548,196)</b>	<b>-</b>	<b>(8,248,852)</b>
<b>Total change in net assets</b>	<b>(1,952,415)</b>	<b>(1,380,654)</b>	<b>(3,539,688)</b>	<b>14,045</b>	<b>(6,858,712)</b>
<b>Net assets, beginning of year</b>	<b>3,906,734</b>	<b>4,476,802</b>	<b>17,179,983</b>	<b>26,651</b>	<b>25,590,170</b>
<b>Net assets, end of year</b>	<b>\$ 1,954,319</b>	<b>\$ 3,096,148</b>	<b>\$ 13,640,295</b>	<b>\$ 40,696</b>	<b>\$ 18,731,458</b>

Refer to Independent Auditor's Report on Supplementary Information.

**The Education Trust and its Supporting Organizations**  
**(U.S. Education Delivery Institute, Inc. and Data Quality Campaign, Inc.)**

**Consolidating Schedule of Activities and Changes in Net Assets**

<i>Year Ended June 30, 2011</i>	DQC	USEDI	The Education Trust	Eliminating	Total
<b>Changes in unrestricted net assets</b>					
<b>Support and revenue</b>					
Contributions	\$ 1,752,508	\$ -	\$ 63,333	\$ 13,500	\$ 1,829,341
Contracts	-	170,000	489,833	-	659,833
Program service fees	-	-	196,750	-	196,750
Registration fees	-	-	118,050	-	118,050
Investment income	-	11,628	122,646	27	134,301
Other income	50,388	36,729	24,654	(22,617)	89,154
Publication and merchandise, net	-	-	11,556	-	11,556
Net assets released from restrictions	-	3,047,376	10,234,863	(13,500)	13,268,739
<b>Total support and revenue</b>	<b>1,802,896</b>	<b>3,265,733</b>	<b>11,261,685</b>	<b>(22,590)</b>	<b>16,307,724</b>
<b>Expenses</b>					
Program services	332,770	2,674,247	10,452,968	-	13,459,985
Fundraising	-	-	184,364	-	184,364
General and administrative	108,800	306,574	299,259	(49,241)	665,392
<b>Total expenses</b>	<b>441,570</b>	<b>2,980,821</b>	<b>10,936,591</b>	<b>(49,241)</b>	<b>14,309,741</b>
<b>Change in unrestricted net assets</b>	<b>1,361,326</b>	<b>284,912</b>	<b>325,094</b>	<b>26,651</b>	<b>1,997,983</b>
<b>Changes in temporarily restricted net assets</b>					
Contributions	2,545,408	-	12,945,900	(13,500)	15,477,808
Net assets released from restrictions	-	(3,047,376)	(10,234,863)	13,500	(13,268,739)
<b>Change in temporarily restricted net assets</b>	<b>2,545,408</b>	<b>(3,047,376)</b>	<b>2,711,037</b>	<b>-</b>	<b>2,209,069</b>
<b>Total change in net assets</b>	<b>3,906,734</b>	<b>(2,762,464)</b>	<b>3,036,131</b>	<b>26,651</b>	<b>4,207,052</b>
<b>Net assets, beginning of year</b>	<b>-</b>	<b>7,239,266</b>	<b>14,143,852</b>	<b>-</b>	<b>21,383,118</b>
<b>Net assets, end of year</b>	<b>\$ 3,906,734</b>	<b>\$ 4,476,802</b>	<b>\$ 17,179,983</b>	<b>\$ 26,651</b>	<b>\$ 25,590,170</b>

Refer to Independent Auditor's Report on Supplementary Information.