CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES TOGETHER WITH
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TEACH FOR AMERICA, INC.

September 30, 2012 and 2011

CONTENTS

Audit • Tax • Advisory

Grant Thornton LLP
666 Third Avenue, 13th Floor
New York, NY 10017-4011

T 212.599.0100
F 212.370.4520
www.GrantThornton.com

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Teach For America, Inc.:

We have audited the accompanying consolidated statements of financial position of Teach For America, Inc. ("Teach For America") and its subsidiary, Leadership for Educational Equity ("LEE"), (collectively, "TFA") as of September 30, 2012 and 2011, and the related consolidated statements of activities and cash flows for the years then ended. These consolidated financial statements are the responsibility of TFA's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants. 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 TFA's 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 consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated 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 Teach For America, Inc., and Leadership for Educational Equity, as of September 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.

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements of TFA as of and for the years ended September 30, 2012 and 2011, taken as a whole. The accompanying supplementary information included on pages 27 through 34, is presented for purposes of additional analysis and is not a required part of the basic 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 basic consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling information directly to the underlying accounting records used to prepare the basic consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Grant Thornton LLP

New York, New York
February 27, 2013

Teach For America, Inc.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of September 30, 2012 and 2011

ASSETS	2012	2011
Cash and cash equivalents	**$ 47,251,037**	$ 31,767,895
Government grants and contracts receivable	**36,463,431**	17,115,248
Fee for service receivable	**19,542,359**	15,595,648
Prepaid expenses and other assets (Note G)	**5,906,255**	4,732,178
Contributions receivable, net (Note C)	**123,585,280**	138,123,861
Loans receivable from corps members, net of allowance of $545,270 and $686,284 in 2012 and 2011, respectively (Note D)	**10,582,940**	8,888,097
Investments, at fair value (Note E)	**160,800,743**	117,494,011
Fixed assets, net (Note F)	**43,684,075**	39,316,422
Total assets	**$ 447,816,120**	$ 373,033,360
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	**$ 22,828,609**	$ 18,720,284
Education awards to corps members (Note H)	**-**	1,385,766
Deferred rent payable and other liabilities (Note J)	**5,838,853**	1,993,634
Total liabilities	**28,667,462**	22,099,684
Commitments and contingencies (Notes J and O)		
Net assets:		
Unrestricted (Note L)	**211,266,616**	166,970,127
Temporarily restricted (Note K)	**103,720,169**	94,801,686
Permanently restricted (Note L)	**104,161,873**	89,161,863
Total net assets	**419,148,658**	350,933,676
Total liabilities and net assets	**$ 447,816,120**	$ 373,033,360

The accompanying notes are an integral part of these consolidated statements.

Teach For America, Inc.

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended September 30, 2012 , with comparative totals for 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	**2012 Total**	2011 Total
Revenues, gains and other support:					
Contributions (Note O)	$ 18,094,682	$ 182,676,244	$ 15,000,010	**$ 215,770,936**	$ 196,883,416
Government grants and contracts	61,546,661	-	-	**61,546,661**	42,874,615
Fee for service	28,742,484	-	-	**28,742,484**	23,198,766
Contributed goods and services (Note M)	306,635	-	-	**306,635**	4,754,355
Interest and dividend income (Note E)	76,578	334,946	-	**411,524**	128,762
Net appreciation(depreciation) in fair value of investments (Note E)	1,306,309	9,249,935	-	**10,556,244**	(1,398,720)
Licensing fees and other revenue	2,065,929	-	-	**2,065,929**	3,626,368
Net assets released from restrictions (Note K)	183,342,642	(183,342,642)	-	**-**	-
Total revenues, gains and other support	295,481,920	8,918,483	15,000,010	**319,400,413**	270,067,562
Expenses:					
Program services:					
Teacher recruitment and selection	44,056,551	-	-	**44,056,551**	37,651,869
Pre-service institute	38,635,757	-	-	**38,635,757**	33,112,266
Placement, professional development, and other	104,037,074	-	-	**104,037,074**	91,817,578
Alumni affairs	20,396,035	-	-	**20,396,035**	20,532,707
Total program services	207,125,417	-	-	**207,125,417**	183,114,420
Supporting services:					
Management and general	19,911,043	-	-	**19,911,043**	14,450,804
Fundraising	25,521,342	-	-	**25,521,342**	21,624,070
Total supporting services	45,432,385	-	-	**45,432,385**	36,074,874
Total expenses	252,557,802	-	-	**252,557,802**	219,189,294
Increase in net assets before nonrecurring activities	42,924,118	8,918,483	15,000,010	**66,842,611**	50,878,268
Transfer of net assets - deconsolidation of Teach for All, Inc.	-	-	-	**-**	(9,271,742)
Transfer of net assets - consolidation of Leadership for Educational Equity	-	-	-	**-**	211,968
Expiration of education awards (Note H)	1,372,371	-	-	**1,372,371**	-
Change in net assets	44,296,489	8,918,483	15,000,010	**68,214,982**	41,818,494
Net assets, beginning of year	166,970,127	94,801,686	89,161,863	**350,933,676**	309,115,182
Net assets, end of year	$ 211,266,616	$ 103,720,169	$ 104,161,873	**$ 419,148,658**	$ 350,933,676

The accompanying notes are an integral part of this consolidated statement.

Teach For America, Inc.

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended September 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	**Total**
Revenues, gains and other support:				
Contributions	$ 10,913,605	$ 175,969,801	$ 10,000,010	$ 196,883,416
Government grants and contracts	42,874,615	-	-	42,874,615
Fee for service	23,198,766	-	-	23,198,766
Contributed goods and services (Note M)	4,754,355	-	-	4,754,355
Interest and dividend income (Note E)	6,075	122,687	-	128,762
Net (depreciation) appreciation in fair value of investments (Note E)	(26,059)	(1,372,661)	-	(1,398,720)
Licensing fees and other revenue	3,626,368	-	-	3,626,368
Net assets released from restrictions (Note K)	176,685,741	(176,685,741)	-	-
Total revenues, gains and other support	262,033,466	(1,965,914)	10,000,010	270,067,562
Expenses:				
Program services:				
Teacher recruitment and selection	37,651,869	-	-	37,651,869
Pre-service institute	33,112,266	-	-	33,112,266
Placement, professional development, and other	91,817,578	-	-	91,817,578
Alumni affairs	20,532,707	-	-	20,532,707
Total program services	183,114,420	-	-	183,114,420
Supporting services:				
Management and general	14,450,804	-	-	14,450,804
Fundraising	21,624,070	-	-	21,624,070
Total supporting services	36,074,874	-	-	36,074,874
Total expenses	219,189,294	-	-	219,189,294
Increase (decrease) in net assets before nonrecurring activities	42,844,172	(1,965,914)	10,000,010	50,878,268
Transfer of net assets - deconsolidation of Teach for All, Inc.	(2,423,056)	(6,848,686)	-	(9,271,742)
Transfer of net assets - consolidation of Leadership for Educational Equity	-	211,968	-	211,968
Change in net assets	40,421,116	(8,602,632)	10,000,010	41,818,494
Net assets, beginning of year	126,549,011	103,404,318	79,161,853	309,115,182
Net assets, end of year	$ 166,970,127	$ 94,801,686	$ 89,161,863	$ 350,933,676

The accompanying notes are an integral part of this consolidated statement.

Teach For America, Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended September 30, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Change in net assets	**$ 68,214,982**	$ 41,818,494
Adjustment to reconcile increase in net assets to net cash provided by operating activities:		
Transfer of net assets - deconsolidation of Teach for All, Inc.	**-**	9,271,742
Transfer of net assets - consolidation of Leadership for Educational Equity	**-**	(211,968)
Depreciation and amortization	**17,669,966**	14,696,670
(Appreciation) depreciation in fair value of investments	**(10,556,244)**	1,398,720
Change in present value of contribution receivable	**(397,851)**	(800,535)
Bad debt expense	**340,418**	-
Contributed investment securities	**(24,990,573)**	(7,058,241)
Permanently restricted contributions	**(15,000,010)**	(10,000,010)
Change in allowance for doubtful accounts	**(242,890)**	78,656
Changes in operating assets and liabilities:		
(Increase) decrease in government grants and contracts receivable	**(19,348,183)**	13,048,357
Increase in fee for service receivable	**(3,946,711)**	(1,753,810)
(Increase) decrease in prepaid expense and other assets	**(1,174,077)**	210,929
Decrease in contributions receivable	**15,038,307**	182,046
(Decrease) increase in accounts payable and accrued expenses	**4,108,325**	(914,838)
Decrease in education awards to corps members	**(1,385,766)**	(80,169)
Increase (decrease)in deferred rent payable and other liabilities	**3,845,219**	(875,431)
Net cash provided by operating activities	**32,174,912**	59,010,612
Cash flows from investing activities:		
Loans to corps members	**(7,482,637)**	(6,307,970)
Repayments of loans from corps members	**5,588,391**	4,598,745
Proceeds from the sale of investments	**77,695,576**	38,635,353
Purchase of investments	**(85,455,491)**	(58,772,436)
Purchase of fixed assets	**(21,930,198)**	(23,891,773)
Net cash used in investing activities	**(31,584,359)**	(45,738,081)
Cash flows from financing activities:		
(Payments) proceeds from line of credit, net	**-**	(14,000,000)
Permanently restricted contributions	**15,000,010**	10,000,010
Payments on capital lease obligation	**(107,421)**	-
Net cash provided by (used in) financing activities	**14,892,589**	(3,999,990)
Net increase in cash and cash equivalents	**15,483,142**	9,272,541
Cash and cash equivalents, beginning of year	**31,767,895**	22,495,354
Cash and cash equivalents, end of year	**$ 47,251,037**	$ 31,767,895
Supplemental disclosure:		
Cash paid for interest	**$ 147,860**	$ 180,619

The accompanying notes are an integral part of these consolidated statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2012 and 2011

NOTE A - ORGANIZATION AND NATURE OF OPERATIONS

Teach For America, Inc., ("Teach For America") is a not-for-profit corporation incorporated in the State of Connecticut on October 6, 1989. Leadership for Educational Equity, ("LEE") is a not-for-profit corporation incorporated in the State of New York on October 23, 2006.

Teach For America is dedicated to building a national corps of outstanding recent college graduates of all academic majors who commit two years to teach in under-resourced urban and rural public schools and who become lifelong leaders in pursuit of expanding educational opportunity. Teach For America recruits and selects recent college graduates who meet high standards, trains them in an intensive summer program, places them in urban and rural school districts, and coordinates a support network for them during the two years they commit to teach. Teach For America also works to keep alumni connected to each other and to its mission.

LEE's mission is to enable Teach For America corps members and alumni to realize high impact careers in public leadership by: (1) educating its members about the policy, advocacy and political landscape in their region and in the nation so they are inspired and ready to participate politically and civically; (2) equipping its members with the skills, resources, and experiences to successfully pursue public leadership positions; (3) helping its members become highly effective change agents for educational equity once in positions of leadership; and (4) fostering a thriving LEE community in which members support one another in pursuing public leadership and actively engage around political and civic matters.

At September 30, 2012 and 2011, Teach For America and LEE were separate legal entities that share similar board members and officers. Both are exempt from corporate federal income tax. Teach For America is exempt under Section 501(c)(3) of the Internal Revenue Code and LEE is exempt under Section 501(c)(4) of the Internal Revenue Code and similar state provisions.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Basis of Presentation*

The accompanying consolidated financial statements include the accounts of Teach For America as of and for the year ended September 30, 2012 and 2011 and LEE as of and for the year ended December 31, 2012 and 2011 (collectively, "TFA") and have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP"), as applicable to not-for-profit organizations. All significant intercompany transactions have been eliminated in consolidation.

NOTE B (continued)

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of TFA and changes therein are classified and reported as follows:

Unrestricted - Net assets that are not subject to donor-imposed stipulations. These amounts include board-designated resources for use as long-term investment to provide an ongoing stream of investment income for selected activities such as expansion and program services and cash reserves, in the event TFA experiences a cash shortfall. At September 30, 2012 and 2011, the total amount of board-designated net assets authorized to function as endowments were $57,972,187 and $44,250,346, respectively, (Note L).

Temporarily restricted - Include net assets subject to donor-imposed stipulations that expire with the passage of time or can be fulfilled by the actions of TFA, pursuant to those stipulations (Note K).

Permanently restricted - Include net assets subject to donor-imposed stipulations that require resources to be maintained as funds of a permanent duration (Note L). The income derived from permanently restricted net assets is available for general or specific purposes, as stipulated by the respective donors.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

2. *Fair Value Measurements*

TFA follows guidance that defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This standard provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. The standard also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of an asset or liability as of the measurement date.

NOTE B (continued)

Assets and liabilities measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. The type of investments categorized as Level 1 include listed equities held in the entity's name and exclude listed equities and other securities held indirectly through commingled funds.

Level 2: Pricing inputs including broker quotes other than exchange quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Also included in Level 2 are investments measured using a net asset value ("NAV") per share, or its equivalent, that may be redeemed at that NAV at the date of the consolidated statements of financial position or in the near term, which is considered to be within 90 days.

Level 3: Pricing inputs are unobservable and include situations where there is little, if any, market activity for those assets or liabilities. Fair value measurement for these financial instruments require significant management judgment or estimation. Investments that are categorized as Level 3 generally include privately held investments and partnership interests. Also included in Level 3 are investments measured using a NAV per share, or its equivalent, that can never be redeemed at the NAV or for which redemption at NAV is uncertain due to lockup periods or other investment restrictions.

3. *Functional Allocation of Expenses*

The costs of providing TFA's programs and supporting services have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The following is a description of TFA's programs:

Teacher Recruitment and Selection
TFA recruits and selects a teaching corps of outstanding college graduates to teach the nation's most underserved students. The recruitment and selection process consists of scheduling and attending on- and off-campus recruiting events, processing applications (approximately 48,000 in 2012 and 2011), and conducting day-long interview sessions in multiple sites across the country. TFA had approximately 5,800 and 5,100 new corps members, who began their fall teaching assignments in 2012 and 2011, respectively.

NOTE B (continued)

Pre-Service Institute
For incoming corps members, TFA conducts intensive summer training institutes held on various university campuses. In 2012, institutes were held at nine campuses: University of Houston, Temple University, Loyola Marymount University, St. John's University, Georgia Institute of Technology, Arizona State University, Illinois Institute of Technology, Delta State University and University of Tulsa. As part of TFA's ongoing relationship with the: Houston Independent School District; Los Angeles Unified School District; the School District of Philadelphia; Atlanta Public Schools; the New York City Department of Education; Phoenix Public Schools; Chicago Public Schools; Mississippi Delta Public Schools and Tulsa Public Schools, corps members teach students who are enrolled in Houston, Los Angeles, Philadelphia, Atlanta, New York City, Phoenix, Chicago, Mississippi Delta and Tulsa public summer school programs.

Placement, Professional Development, and Other
TFA places corps members in various urban and rural regions throughout the United States. In each region, TFA has regional offices, which are responsible for placing corps members in schools, monitoring progress throughout their two-year commitment, providing opportunities for ongoing professional development, and helping corps members to feel part of a national corps. In 2012 and 2011, TFA placed corps members in 46 and 43 regions, respectively.

Alumni Affairs
TFA has an alumni base of former corps members all over the world. These individuals present a powerful opportunity to continue to expand educational opportunity.

4. *Cash and Cash Equivalents*

Cash and cash equivalents include cash and short-term investments, with original maturities of three months or less, which are not under investment management for long-term purposes.

5. *Investments*

Investments in equity securities with readily determinable fair values are measured at fair value in the accompanying consolidated statements of financial position and reported based on quoted market prices. Reported fair values for alternative investments are estimated by the respective external investment manager if ascertainable market values are not readily available. Such valuations involve assumptions and methods that are reviewed and accepted by TFA.

NOTE B (continued)

Because TFA's alternative investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ significantly from the value that would have been reported had a ready market for such investments existed. Due to inherent risks and potential subjectivity of investment valuations, the amounts reported in the accompanying consolidated financial statements can vary substantially from settlement amounts resulting from sale or exchange of such investments and, such differences could be material.

6. *Contributions*

Contributions, including unconditional promises to give, are reported as revenues in the period received or pledged based upon donor restriction, if any. Contributions to be received after one year are discounted using a risk-adjusted rate. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any. Contributions of assets other than cash, including goods and services, are recorded at their estimated fair value at the date of contribution.

7. *Special Events Revenue*

Revenue and expenses related to special events are recognized upon occurrence of the respective event and, are presented net of direct expenses within contributions in the accompanying consolidated statements of activities.

8. *Fee for Service Revenue*

TFA has contractual agreements with various school districts across the United States of America to recruit, select, train, and place corps members to teach within their school districts. TFA recognizes revenue related to these contractual agreements as earned, that is, when the school district places a corps member.

9. *Loans Receivable*

Loans receivable are recorded at their net realizable values and are generally due over a period of 1 to 2 years.

10. *Government Grants and Contracts*

Revenue from government grants and contracts is recognized as earned, that is, as related costs are incurred or services rendered under such agreements (Note J).

NOTE B (continued)

11. *Allowances for Doubtful Accounts*

Allowances for doubtful accounts are provided based upon management's judgment including such factors as prior collection history and type of receivable. Receivables are written-off when deemed uncollectible. Payments, if any, subsequently received on previously reserved receivables are applied to the allowance for doubtful accounts.

12. *Fixed Assets*

Computer equipment and software and furniture, fixtures, and office equipment with a unit cost in excess of $2,500 are recorded at cost and depreciated on a straight-line basis over an estimated useful life ranging from three to five years. Leasehold improvements with a unit cost in excess of $2,500 are recorded at cost and amortized on a straight-line basis over the lesser of the economic useful life of the respective asset or the remaining lease term.

13. *Income Taxes*

TFA follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This standard provides that the tax effects from an uncertain tax position can be recognized in the consolidated financial statements only if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The standard also provides guidance on measurement, classification, interest and penalties. Adoption of this standard, had no material impact on the accompanying consolidated financial statements. The tax years ended 2009, 2010, 2011 and 2012 are still open to audit for both federal and state purposes. TFA has processes presently in place to ensure the maintenance of its tax-exempt status; identify and report unrelated income; determine its filing and tax obligations in jurisdictions for which it has nexus; and identify and evaluate other matters that may be considered tax positions.

14. *Concentration of Credit Risk*

Financial instruments which potentially subject TFA to concentrations of credit risk consist primarily of cash and cash equivalents and investment securities. TFA maintains its cash and cash equivalents with creditworthy, high-quality financial institutions. At certain times, TFA's bank balances may exceed federally insured limits. However, TFA has not experienced, nor does it anticipate, any losses with respect to such bank balances. TFA's investment portfolio is diversified with several investment managers in a variety of asset classes. TFA regularly evaluates its depository arrangements and investments, including performance thereof. TFA believes that its credit risks are not significant. In addition, TFA received 18% of its contributions from Board members during the years ended September 30, 2012 and 2011.

NOTE B (continued)

15. *Use of Estimates*

The preparation of consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The more significant estimates include the determination of allowances for doubtful accounts; fair value measurement of investments that have no ready market; and estimated useful lives of capital assets. Actual results could differ from those estimates.

16. *Reclassification*

Certain 2011 amounts have been reclassified in order to conform to the fiscal 2012 presentation.

NOTE C - CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable at September 30, 2012 and 2011, were scheduled to be collected as follows:

	2012	2011
Less than one year	**$ 98,244,931**	$ 93,714,657
One to five years	**26,764,206**	46,332,787
	125,009,137	140,047,444
Less: discount to present value ranging from 0.25% to 1.27%	**(144,742)**	(542,593)
	124,864,395	139,504,851
Less: allowance for doubtful accounts	**(1,279,114)**	(1,380,990)
	$ 123,585,280	$ 138,123,861

TFA has also been notified of certain intentions to give. However, these amounts have not been recorded in the accompanying consolidated financial statements due to their conditional nature (e.g. challenge grants). Such conditional gifts totaled approximately $21,576,000 and $28,985,800 at September 30, 2012 and 2011, respectively.

NOTE D - LOANS RECEIVABLE FROM CORPS MEMBERS

TFA makes uncollateralized loans to corps members based on financial need. Corps member loans are funded through TFA's loan programs. At September 30, 2012 and 2011, loans represented 2.4% of total assets.

NOTE D (continued)

At September 30, 2012 and 2011, corps member loans consisted of the following:

	2012	2011
Corps Member Loan Program	**$ 11,090,540**	$ 9,511,108
Corps Member Placement Loans	**37,670**	63,273
Less: allowance for doubtful accounts	**(545,270)**	(686,284)
	$ 10,582,940	$ 8,888,097

At September 30, 2012 and 2011, the following amounts were past due under the corps member loan program:

September 30,	One year past due	Two years past due	Over three years past due	Total past due
2012	$ 418,741	$ 145,026	$ 399,331	$ 963,098
2011	248,425	193,660	227,339	669,424

Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms. Loan balances are written off only when they are deemed to be uncollectible.

NOTE E - INVESTMENTS, AT FAIR VALUE

At September 30, 2012 and 2011, TFA's investments consisted of the following:

	2012	2011
Money market funds	**$ 4,753,402**	$ 44,808,362
Equities	**24,545,034**	8,363,821
Fixed income	**39,042,902**	-
Limited partnerships	**92,459,405**	64,321,828
	$ 160,800,743	$ 117,494,011

NOTE E (continued)

The following table summarizes investments by level, within the fair value hierarchy as of September 30, 2012:

	Level 1	Level 2	Level 3	**Total**
Money market funds	$ 4,753,402	$ -	$ -	**$ 4,753,402**
Equities	24,545,034	-	-	**24,545,034**
Fixed income	39,042,902	-	-	**39,042,902**
Limited partnerships	-	-	92,459,405	**92,459,405**
Total	$ 68,341,338	$ -	$ 92,459,405	**$160,800,743**

The following table summarizes the changes in fair values associated with Level 3 assets as of September 30, 2012:

	Limited Partnerships
Balance as of October 1, 2011	$ 64,321,828
Purchases	20,500,000
Unrealized gains	7,637,577
Balance as of September 30, 2012	**$ 92,459,405**

The following table summarizes investments by level, within the fair value hierarchy as of September 30, 2011:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 44,808,362	$ -	$ -	$ 44,808,362
Equities	8,363,821	-	-	8,363,821
Limited partnerships	-	-	64,321,828	64,321,828
Total	$ 53,172,183	$ -	$ 64,321,828	$117,494,011

The following table summarizes the changes in fair values associated with Level 3 assets as of September 30, 2011:

	Limited Partnerships
Balance as of October 1, 2010	$ 28,772,436
Purchases	35,720,000
Unrealized losses	(170,608)
Balance as of September 30, 2011	$ 64,321,828

NOTE E (continued)

At September 30, 2012 and 2011, TFA's investment returns consisted of the following:

	2012	2011
Interest and dividend income	**$ 411,524**	$ 128,762
(Loss) gain in fair value of investments	**11,304,290**	(957,988)
Investment fees	**(748,046)**	(440,732)
Net (depreciation) appreciation in fair value of investments	**10,556,244**	(1,398,720)
Total investment return	**$ 10,967,768**	$ (1,269,958)

TFA uses the Net Asset Value (NAV) per share to determine the fair value of all the underlying investments which: (a) do not have a readily determinable fair value and (b) prepare their investees financial statements consistent with the measurement principles of an investments company or have the attributes of an investments company. Per the accounting standard governing NAV as a practical expedient, the following table lists investments in other companies by major NAV category as of September 30, 2012 and 2011:

2012

Type	**Strategy**	**NAV in Funds**	**# of Funds**	**Remaining Life**	**$ Amount of Unfunded Commitments**	**Timing to Drawdown Commitments**	**Redemption Terms**	**Redemption Restrictions**
Limited partnerships	Invests in hedge funds, private equity and pooled accounts seeking long-term diversified growth	$92,459,405	2	N/A	No such commitments	N/A	Quarterly and Annually	Lock up periods of up to 2 years

2011

Type	Strategy	NAV in Funds	# of Funds	Remaining Life	$ Amount of Unfunded Commitments	Timing to Drawdown Commitments	Redemption Terms	Redemption Restrictions
Limited partnerships	Invests in hedge funds, private equity and pooled accounts seeking long-term diversified growth	$64,321,828	2	N/A	No such commitments	N/A	Quarterly and Annually	Lock up periods of up to 2 years

NOTE F - FIXED ASSETS, NET

Fixed assets at September 30, 2012 and 2011, consisted of the following:

	2012	2011
Computer equipment and software	**$ 76,695,355**	$ 57,849,344
Furniture, fixtures and office equipment	**7,178,671**	5,226,135
Leasehold improvements	**16,070,606**	14,665,158
	99,944,632	77,740,637
Less: accumulated depreciation and amortization	**(56,403,966)**	(38,734,000)
	43,540,666	39,006,637
Construction-in-progress	**143,409**	309,785
	$ 43,684,075	$ 39,316,422

Depreciation and amortization expense was $17,669,966 and $14,696,670 for the years ended September 30, 2012 and 2011, respectively.

During fiscal year 2012, Teach For America entered into capital leases for office fixtures and equipment. The leases extend through fiscal year 2015 and have total remaining cash payments due, inclusive of interest, of $1,223,502. The net book value of such leased fixtures and equipment was $837,836 at September 30, 2012, and was included in the table above. Additionally, the amount due under these capital leases of $679,964 was included in accounts payable and accrued liabilities in the accompanying 2012 consolidated statement of financial position.

NOTE G - RELATED PARTY TRANSACTIONS

During 2008, Teach For America entered into a Resource Sharing and Expense Reimbursement Agreement with LEE, a related party created for Teach for America corps members and alumni who are interested in the role of public policy in attaining educational equity. The agreement states that LEE shall pay Teach For America for all direct expenses incurred by Teach For America on LEE's behalf and that LEE shall pay a pro-rata share of Teach For America's overhead expenses. In addition, LEE agrees to operate and conduct its use of the resources described in the agreement in a manner so as not to interfere with the accomplishment of Teach For America's tax-exempt purposes and not to jeopardize Teach For America's compliance with federal and state laws. During the year ended September 30, 2011, LEE qualified as an entity that is required to be consolidated under, "Not-for-Profit Entities" guidance. As of September 30, 2012 and 2011, amounts owed to Teach For America from this related party totaled approximately $664,292 and $30,467, respectively, and which were eliminated in consolidation.

NOTE G (continued)

Teach For America also has a Resource Sharing and Expense Reimbursement Agreement with Teach For All, a related party, not controlled by Teach For America, created to expand educational opportunity in other countries. This agreement also states that Teach For All shall pay Teach For America for all direct expenses incurred by Teach For America on Teach For All's behalf and that Teach For All shall pay a pro-rata share of Teach For America's overhead expenses. As of September 30, 2012 and 2011, amounts owed to Teach For America from this related party totaled approximately $23,152 and $80,500, respectively.

NOTE H - EDUCATION AWARDS DUE TO CORPS MEMBERS

In 2004, TFA established the Teach For America Education Awards (the "awards") for eligible corps members who successfully completed the 2004-2005 school year. The awards were intended to mirror the awards previously provided by the Corporation for National Service. Approximately 1,800 corps members were granted awards in varying amounts up to $4,725 that could be applied to pay student loans or educational expenses. The awards were payable until July 2012, at which time these awards expired. Accordingly, approximately $1,372,000 was recognized as a nonrecurring addition to net assets in the accompanying 2012 consolidated statement of activities.

NOTE I - LINE OF CREDIT

On July 2, 2012, TFA's line of credit agreement with Wells Fargo Bank, originally dated August 10, 2009, expired (Note P). This credit facility bore interest at the LIBOR market index plus 1.50% per annum for 2012 and 2011 and required adherence to the following financial covenants:

- Maintain at all times liquid assets and current contributions receivables having an aggregate value of not less than $33 million;
- Maintain a ratio of total liabilities to unrestricted net assets not to exceed one to one; and
- Pay down the outstanding balance in its entirety for 30 consecutive days annually.

At September 30, 2011, Teach For America had not drawn down its line of credit and, was in compliance with the above covenants. Additionally, there were no drawdowns in fiscal 2012. TFA renewed this line of credit in November 2012 (Note P).

NOTE J – COMMITMENTS AND CONTINGENCIES

Operating Leases

TFA has entered into a noncancelable lease agreement for office space for its national headquarters, expiring in January 2019. Additionally, TFA has 45 lease agreements for office space for its regional offices, expiring at various times. TFA also has various lease agreements for office equipment at its regional offices and New York office, expiring on various dates.

Future minimum lease payments under all noncancelable operating leases, follow:

Year ending September 30:	Office Space	Equipment
2013	$ 5,516,003	$ 316,318
2014	7,371,285	358,869
2015	4,717,156	278,341
2016	3,194,430	169,862
2017 and thereafter	3,739,429	100,112
Total	$ 24,538,303	$1,223,502

Total rent expense approximated $8,300,000 and $7,000,000 for the years ended September 30, 2012 and 2011, respectively.

Deferred Rent Payable

Certain operating leases contain escalation clauses for base rentals. Accordingly, TFA has recorded the straight-line effects of such escalations and recognized a deferred rent liability within deferred rent payable and other liabilities in the consolidated statements of financial position of approximately $1.3 million and $1.7 million at September 30, 2012 and 2011, respectively.

Contingencies

In the normal course of its operations, TFA is a party to various legal proceedings and complaints, some of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management of TFA is not aware of any claims or contingencies that would have a material adverse effect on TFA's consolidated financial position, changes in net assets or cash flows.

TFA receives and expends resources in connection with its administration of federal and other governmental grants and contracts. The terms of these agreements generally allow granting agencies the right to audit costs incurred thereunder and, potentially disallow a portion thereof and/or adjust funding on a prospective basis. During fiscal 2012, approximately $924,000 was established as a potential reserve for disallowances, which was included in accounts payable and accrued expenses in the accompanying consolidated statements of financial position. In the opinion of management, audit adjustments, if any, are not expected to have a significant effect on the accompanying consolidated financial statements.

NOTE K - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were restricted for the following purposes at September 30, 2012 and 2011:

	2012	2011
For use in future periods for:		
Expansion	**$ 7,727,520**	$ 17,255,040
Teacher recruitment and selection, placement, professional development, and other	**95,992,649**	77,546,646
	$ 103,720,169	$ 94,801,686

Net assets released from restrictions by incurring expenses satisfying purpose or time restrictions during the years ended September 30, 2012 and 2011, follow:

	2012	2011
Expansion	**$ 12,509,122**	$ 18,379,915
Teacher recruitment and selection, placement, professional development, education awards and other	**170,833,520**	158,305,826
	$ 183,342,642	$ 176,685,741

NOTE L - ENDOWMENT NET ASSETS

Teach For America's endowment consists of several individual funds established for different purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by US GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

Effective October 1, 2007, the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as enacted by the State of Connecticut applies to all donor-restricted endowment funds of Teach For America unless the donor has specifically directed otherwise. Under UPMIFA, an "endowment fund" is defined as a fund that, under the terms of the gift instrument, is not fully expendable on a current basis. The Board of Directors of Teach For America has interpreted UPMIFA as requiring the preservation of so much of such a donor-restricted endowment fund as is directed by the donor in the gift instrument. Where the donor's intent is not clearly articulated in the gift instrument, the Board of Directors of Teach for America interprets UPMIFA as allowing the expenditure of only that amount which is prudent for the uses, benefits, purposes and duration for which the endowment was established, taking into account the following factors:

NOTE L (continued)

1. The duration and original donor restricted preservation of the endowment fund.
2. The purposes of Teach For America and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income on the appreciation of investments.
6. Other resources of Teach For America.
7. The investment policies of Teach For America.

Teach For America classifies as permanently restricted net assets the amount of the assets in a donor-restricted "endowment fund" that may not be expended according to the factors described above. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted is classified as temporarily restricted until those amounts are appropriated for expenditure by Teach For America in a manner consistent with the standard of prudence prescribed by UPMIFA.

Prior to October 1, 2007, the date that UPMIFA became effective in Connecticut, the Board of Directors of Teach For America interpreted the predecessor statute as requiring the preservation of the "historic dollar value" of the original gift as of the date of gift for donor-restricted endowment funds in the absence of explicit donor stipulations to the contrary. As a result of such interpretation, Teach For America previously classified as permanently restricted net assets the original corpus of donor-restricted endowment funds, subsequent gifts to donor-restricted endowment funds and the value of accumulations, if any, to such funds made in accordance with the direction of the applicable gift instrument at the time the relevant accumulation was added to the fund.

Spending Policy

For the year ended September 30, 2012 and 2011, the Board of Directors of Teach For America determined that there would be no distributions from its endowments.

In subsequent years, and upon authorization from the Board of Directors, spending will be determined based upon the sum of:

- 70% of prior year endowment spending, adjusted upward (or downward) by the inflation (deflation) rate as measured by the change in the consumer price index for the 36 months ending on the date six months prior to the start of the fiscal year (i.e., for fiscal 2013, which begins on October 1st this would be the 36 months ending April 1st).

- 30% of the long-term spending rate of 5%, multiplied by the average market value of the endowment over the 36 months ending on the date six months prior to the start of the fiscal year (calculated by averaging the market value of the endowment on the dates 6 months, 9 months, 12 months, and 15 months before the start of the fiscal year).

NOTE L (continued)

In establishing this policy, Teach For America considered the long-term expected return on its endowment. Accordingly, over the long term, Teach For America expects the current spending policy to allow its endowment to grow at a pace at least equal with inflation. This is consistent with Teach For America's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term to support future operations.

Return Objectives and Risk Parameters

TFA has adopted investment and spending policies for endowment assets that attempt to provide a predictable and stable stream of funding to programs and support services supported by its endowment while seeking to maintain the purchasing power of the endowment assets to support future operations. Endowment assets include those assets of donor-restricted funds that must be held in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of appropriate benchmarks without putting the assets at imprudent risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, Teach For America relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Teach For America targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives with prudent risk constraints.

Teach For America received $15,000,000 in endowment cash and pledges in fiscal 2012 that have not been invested as of September 30, 2012. Endowment net asset composition, excluding pledges receivable, as of September 30, 2012, follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	**Total**
Board-designated endowment funds	$ 57,972,187	$ -	$ -	**$ 57,972,187**
Donor-restricted endowment funds	-	13,666,683	89,161,873	**102,828,556**
Total	$ 57,972,187	$ 13,666,683	$ 89,161,873	**$160,800,743**

NOTE L (continued)

Changes in endowment net assets for the fiscal year ended September 30, 2012:

	Unrestricted	Temporarily Restricted	Permanently Restricted	**Total**
Endowment net assets, beginning of year	$ 44,250,346	$ 4,081,802	$ 69,161,863	**$ 117,494,011**
Investment return:				
Investment income	76,578	334,946	-	**411,524**
Net appreciation (realized and unrealized)	1,306,309	9,249,935	-	**10,556,244**
Total investment return	1,382,888	9,584,881	-	**10,967,768**
Contributions, including collections of prior year pledges	-	-	20,000,010	**20,000,010**
Board-designated additions	12,338,954	-	-	**12,338,954**
Endowment net assets, end of year	$ 57,972,187	$ 13,666,683	$ 89,161,873	**$ 160,800,743**

For the year ended September 30, 2012, the permanently restricted contributions of $20,000,010 presented above included $10,000,010 of pledge payments for a $5,000,010 pledge made in fiscal 2010 and a $5,000,000 fiscal 2011 matching gift.

Endowment net asset composition, excluding pledges receivable, as of September 30, 2011, follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated endowment funds	$ 44,250,346	$ -	$ -	$ 44,250,346
Donor-restricted endowment funds	-	4,081,802	69,161,863	73,243,665
Total	$ 44,250,346	$ 4,081,802	$ 69,161,863	$117,494,011

NOTE L (continued)

Changes in endowment net assets for the fiscal year ended September 30, 2011:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 37,203,779	$ 5,331,775	$ 49,161,853	$ 91,697,407
Investment return:				
Investment income	6,075	122,687	-	128,762
Net appreciation (realized and unrealized)	(26,059)	(1,372,661)	-	(1,398,720)
Total investment return	(19,984)	(1,249,974)	-	(1,269,958)
Contributions, including collection of prior year pledges	-	-	20,000,010	20,000,010
Board-designated additions	7,066,552	-	-	7,066,552
Endowment net assets, end of year	$ 44,250,346	$ 4,081,802	$ 69,161,863	$ 117,494,011

For the year ended September 30, 2011, the permanently restricted contributions of $20,000,010 presented above included $10,000,010 of pledge payments for a $5,000,010 pledge made in fiscal 2010 and a $5,000,000 fiscal 2011 matching gift.

Permanently restricted net assets of $89,161,873 and $69,161,863 at September 30, 2012 and 2011, respectively, provided investment returns to support general operating purposes, as per donor intent, none of which were appropriated by the Board of Directors for expenditure.

NOTE M - CONTRIBUTED GOODS AND SERVICES

Contributed goods and services for the years ended September 30, 2012 and 2011, consisted of the following:

	2012	2011
Computers and equipment	**$ 1,959**	$ 4,383,045
Professional fees	-	9,404
Legal	**232,836**	242,082
Facilities	**21,325**	11,118
Supplies	**35,373**	72,529
Event services	**9,902**	36,095
Other	**5,240**	82
	$ 306,635	$ 4,754,355

NOTE N - RETIREMENT PLAN

TFA offers full and part-time staff members who work at least 20 hours a week the opportunity to participate in a 403(b) retirement program. This is a defined contribution plan with employer matching contributions equal to 100% of the employee's contributions up to 5% of their gross earned salary in each fiscal year. Participants are fully vested after six months of employment, increasing to 12 months, effective October 1, 2008. Withdrawal cannot be made without penalty until the age of 59½. TFA matching contributions totaled approximately $3,600,000 and $3,101,000 for the years ended September 30, 2012 and 2011, respectively.

During fiscal 2012, Teach For America established an Executive 457(b) Retirement Plan, which is a non-qualified 457(b) Retirement Plan for select key managerial and highly compensated employees. Only discretionary employer contributions are allowed under the plan. For the fiscal year ended September 30, 2012, employer contributions to this Plan were approximately $8,400.

NOTE O – SPECIAL EVENT REVENUE

TFA conducts various special fundraising events throughout the year, the net results of which were included within unrestricted contributions in the accompanying consolidated statements of activities. TFA recognizes special event revenue only to the extent of the fair market value of the direct benefit to donors and the remaining funds are recognized as contributions. As of September 30, 2012 and 2011, a summary of the special events activities follows:

	2012	2011
Fair value of direct donor benefit	**$ 601,798**	$ 963,826
Other direct expenses	**(1,270,740)**	(1,066,084)
Special events, net	**$ (668,942)**	$ (102,258)

NOTE P - SUBSEQUENT EVENTS

TFA evaluated its September 30, 2012 consolidated financial statements for subsequent events through February 27, 2013, the date the consolidated financial statements were available to be issued. Other than the disclosure below, TFA is not aware of any subsequent events which would require recognition or disclosure in the accompanying consolidated financial statements.

On November 19, 2012, TFA amended its line of credit agreement with Wells Fargo Bank originally dated August 10, 2009, which expired on July 2, 2012. This credit facility bears interest at the LIBOR market index rate plus 0.70% per annum for 2012 and requires adherence to the following financial covenants:

- Maintain at all times unrestricted specified assets having an aggregate specified value of not less than $50,000,000; and
- Maintain at all times an expendable financial resources to total operating expenses ratio of at least 80%
- Pay down the outstanding balances of all advances to a maximum of $0.00 for a period of 30 consecutive days during the clean-up year

SUPPLEMENTARY INFORMATION

Teach For America, Inc.

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

As of September 30, 2012

ASSETS	Teach For America, Inc.	Leadership for Educational Equity	Eliminations	**Total**
Cash and cash equivalents	$ 46,363,860	$ 887,177	$ -	**$ 47,251,037**
Government grants and contracts receivable	36,463,431	-	-	**36,463,431**
Fee for service receivable	19,542,359	-	-	**19,542,359**
Prepaid expenses and other assets	6,555,239	15,308	(664,292)	**5,906,255**
Contributions receivable, net	123,457,583	127,697	-	**123,585,280**
Loans receivable from corps members, net	10,582,940	-	-	**10,582,940**
Investments, at fair value	160,800,743	-	-	**160,800,743**
Fixed assets	43,665,745	18,330	-	**43,684,075**
Total assets	$ 447,431,900	$ 1,048,512	$ (664,292)	**$ 447,816,120**

LIABILITIES AND NET ASSETS	Teach For America, Inc.	Leadership for Educational Equity	Eliminations	**Total**
Liabilities:				
Accounts payable and accrued expenses	$ 22,541,366	$ 287,243	$ -	**$ 22,828,609**
Education awards to corps members	-	-	-	**-**
Deferred rent and other liabilities	5,792,220	710,925	(664,292)	**5,838,853**
Total liabilities	28,333,586	998,168	(664,292)	**28,667,462**
Net assets:				
Unrestricted	208,656,889	-	2,609,727	**211,266,616**
Temporarily restricted	106,279,552	50,344	(2,609,727)	**103,720,169**
Permanently restricted	104,161,873	-	-	**104,161,873**
Total net assets	419,098,314	50,344	-	**419,148,658**
Total liabilities and net assets	$ 447,431,900	$ 1,048,512	$ (664,292)	**$ 447,816,120**

This schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

Teach For America, Inc.

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

As of September 30, 2011

ASSETS	Teach For America, Inc.	Leadership for Educational Equity	Eliminations	Total
Cash and cash equivalents	$ 31,536,694	$ 231,201	$ -	$ 31,767,895
Government grants and contracts receivable	17,115,248	-	-	17,115,248
Fee for service receivable	15,595,648	-	-	15,595,648
Prepaid expenses and other assets	4,747,337	15,308	(30,467)	4,732,178
Contributions receivable, net	137,942,795	181,066	-	138,123,861
Loans receivable from corps members, net	8,888,097	-	-	8,888,097
Investments, at fair value	117,494,011	-	-	117,494,011
Fixed assets	39,283,422	33,000	-	39,316,422
Total assets	$ 372,603,252	$ 460,575	$ (30,467)	$ 373,033,360
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable and accrued expenses	$ 18,556,294	$ 163,990	$ -	$ 18,720,284
Education awards to corps members	1,385,766	-	-	1,385,766
Deferred rent and other liabilities	1,974,084	50,017	(30,467)	1,993,634
Total liabilities	21,916,144	214,007	(30,467)	22,099,684
Net assets:				
Unrestricted	166,396,200	-	573,927	166,970,127
Temporarily restricted	95,129,045	246,568	(573,927)	94,801,686
Permanently restricted	89,161,863	-	-	89,161,863
Total net assets	350,687,108	246,568	-	350,933,676
Total liabilities and net assets	$ 372,603,252	$ 460,575	$ (30,467)	$ 373,033,360

This schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

Teach For America, Inc.

CONSOLIDATING SCHEDULE OF ACTIVITIES

For the year ended September 30, 2012

	Teach For America, Inc.				Leadership for Educational Equity				Eliminations		Consolidated			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	**Total**
Revenues, gains and other support:														
Contributions	$ 18,094,682	$ 180,861,988	$ 15,000,010	$ 213,956,680	$ -	$ 3,850,056	$ -	$ 3,850,056	$ -	$ (2,035,800)	$ 18,094,682	182,676,244	$ 15,000,010	**$ 215,770,936**
Government grants and contracts	61,546,661	-	-	61,546,661	-	-	-	-	-	-	61,546,661	-	-	**61,546,661**
Fee for service	28,742,484	-	-	28,742,484	-	-	-	-	-	-	28,742,484	-	-	**28,742,484**
Contributed goods and services	306,635	-	-	306,635	-	-	-	-	-	-	306,635	-	-	**306,635**
Interest and dividend income, net	76,578	334,946	-	411,524	-	-	-	-	-	-	76,578	334,946	-	**411,524**
Net appreciation in fair value of investments	1,306,309	9,249,935	-	10,556,244	-	-	-	-	-	-	1,306,309	9,249,935	-	**10,556,244**
Licensing fees and other revenue	2,065,929	-	-	2,065,929	-	-	-	-	-	-	2,065,929	-	-	**2,065,929**
Net assets released from restriction	179,296,362	(179,296,362)	-	-	4,046,280	(4,046,280)	-	-	-	-	183,342,642	(183,342,642)	-	**-**
Total revenue, gains and other support	291,435,640	11,150,507	15,000,010	317,586,157	4,046,280	(196,224)	-	3,850,056	-	(2,035,800)	295,481,920	8,918,483	15,000,010	**319,400,413**
Expenses:														
Program services:														
Teacher recruitment and selection	44,056,551	-	-	44,056,551	-	-	-	-	-	-	44,056,551	-	-	**44,056,551**
Pre-service institute	38,635,757	-	-	38,635,757	-	-	-	-	-	-	38,635,757	-	-	**38,635,757**
Placement, professional development, and other	104,037,074	-	-	104,037,074	-	-	-	-	-	-	104,037,074	-	-	**104,037,074**
Alumni affairs	20,066,700	-	-	20,066,700	2,365,135	-	-	2,365,135	(2,035,800)	-	20,396,035	-	-	**20,396,035**
Total program services	206,796,082	-	-	206,796,082	2,365,135	-	-	2,365,135	(2,035,800)	-	207,125,417	-	-	**207,125,417**
Supporting services:														
Management and general	18,379,495	-	-	18,379,495	1,531,548	-	-	1,531,548	-	-	19,911,043	-	-	**19,911,043**
Fundraising	25,371,745	-	-	25,371,745	149,597	-	-	149,597	-	-	25,521,342	-	-	**25,521,342**
Total supporting services	43,751,240	-	-	43,751,240	1,681,145	-	-	1,681,145	-	-	45,432,385	-	-	**45,432,385**
Total expenses	250,547,322	-	-	250,547,322	4,046,280	-	-	4,046,280	(2,035,800)	-	252,557,802	-	-	**252,557,802**
Expiration of education awards	1,372,371	-	-	1,372,371	-	-	-	-	-	-	1,372,371	-	-	**1,372,371**
Change in net assets	42,260,689	11,150,507	15,000,010	68,411,206	-	(196,224) -	-	(196,224)	2,035,800	(2,035,800)	44,296,489	8,918,483	15,000,010	**68,214,982**
Net assets, beginning of year	166,396,200	95,129,045	89,161,863	350,687,108	-	246,568	-	246,568	573,927	(573,927)	166,970,127	94,801,686	89,161,863	**350,933,676**
Net assets, end of year	$ 208,656,889	$ 106,279,552	$ 104,161,873	$ 419,098,314	$ -	$ 50,344	$ -	$ 50,344	$ 2,609,727	$ (2,609,727)	$ 211,266,616	$ 103,720,169	$ 104,161,873	**$ 419,148,658**

This schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

Teach For America, Inc.

CONSOLIDATING SCHEDULE OF ACTIVITIES

For the year ended September 30, 2011

	Teach For America, Inc.				Leadership for Educational Equity				Eliminations		Consolidated			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains and other support:														
Contributions	$ 10,913,605	$ 175,265,006	$ 10,000,010	$ 196,178,621	$ -	$ 1,278,722	$ -	$ 1,278,722	$ -	$ (573,927)	$ 10,913,605	$ 175,969,801	$ 10,000,010	$ 196,883,416
Government grants and contracts	42,874,615	-	-	42,874,615	-	-	-	-	-	-	42,874,615	-	-	42,874,615
Fee for service	23,198,766	-	-	23,198,766	-	-	-	-	-	-	23,198,766	-	-	23,198,766
Contributed goods and services	4,754,355	-	-	4,754,355	-	-	-	-	-	-	4,754,355	-	-	4,754,355
Interest and dividend income, net	6,075	122,687	-	128,762	-	-	-	-	-	-	6,075	122,687	-	128,762
Net depreciation in fair value of investments	(26,059)	(1,372,661)	-	(1,398,720)	-	-	-	-	-	-	(26,059)	(1,372,661)	-	(1,398,720)
Licensing fees and other revenue	3,626,368	-	-	3,626,368	-	-	-	-	-	-	3,626,368	-	-	3,626,368
Net assets released from restriction	175,441,619	(175,441,619)	-	-	1,244,122	(1,244,122)	-	-	-	-	176,685,741	(176,685,741)	-	-
Total revenue, gains and other support	260,789,344	(1,426,587)	10,000,010	269,362,767	1,244,122	34,600	-	1,278,722	-	(573,927)	262,033,466	(1,965,914)	10,000,010	270,067,562
Expenses:														
Program services:														
Teacher recruitment and selection	37,651,869	-	-	37,651,869	-	-	-	-	-	-	37,651,869	-	-	37,651,869
Pre-service institute	33,112,266	-	-	33,112,266	-	-	-	-	-	-	33,112,266	-	-	33,112,266
Placement, professional development, and other	91,817,578	-	-	91,817,578	-	-	-	-	-	-	91,817,578	-	-	91,817,578
Alumni affairs	20,211,346	-	-	20,211,346	895,288	-	-	895,288	(573,927)	-	20,532,707	-	-	20,532,707
Total program services	182,793,059	-	-	182,793,059	895,288	-	-	895,288	(573,927)	-	183,114,420	-	-	183,114,420
Supporting services:														
Management and general	14,140,234	-	-	14,140,234	310,570	-	-	310,570	-	-	14,450,804	-	-	14,450,804
Fundraising	21,585,806	-	-	21,585,806	38,264	-	-	38,264	-	-	21,624,070	-	-	21,624,070
Total supporting services	35,726,040	-	-	35,726,040	348,834	-	-	348,834	-	-	36,074,874	-	-	36,074,874
Total expenses	218,519,099	-	-	218,519,099	1,244,122	-	-	1,244,122	(573,927)	-	219,189,294	-	-	219,189,294
Change in net assets	42,270,245	(1,426,587)	10,000,010	50,843,668	-	34,600	-	34,600	573,927	(573,927)	42,844,172	(1,965,914)	10,000,010	50,878,268
Net assets, beginning of year	124,125,955	96,555,632	79,161,853	299,843,440	-	211,968	-	211,968	-	-	124,125,955	96,767,600	79,161,853	300,055,408
Net assets, end of year	$ 166,396,200	$ 95,129,045	$ 89,161,863	$ 350,687,108	$ -	$ 246,568	$ -	$ 246,568	$ 573,927	$ (573,927)	$ 166,970,127	$ 94,801,686	$ 89,161,863	$ 350,933,676

This schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

Teach For America, Inc.

CONSOLIDATED SCHEDULE OF UNRESTRICTED FUNCTIONAL EXPENSES

For the year ended September 30, 2012, with comparative totals for 2011

	Program services					Supporting services				
	Teacher recruitment and selection	Pre-service institute	Placement, professional development, and other	Alumni affairs	Total program services	Management and general	Fundraising	Total supporting services	2012 Total	2011 Total
Expenses:										
Personnel expenses	$ 26,754,621	$ 16,542,028	$ 70,840,103	$ 12,979,596	$ 127,116,348	$ 12,042,206	$ 16,470,792	$ 28,512,998	**$ 155,629,346**	$ 130,466,142
Professional services	1,482,784	489,489	3,148,784	966,314	6,087,371	2,280,898	2,823,986	5,104,884	**11,192,255**	8,547,115
Travel, meetings and subsistence	3,093,492	6,363,083	8,504,740	1,426,911	19,388,226	1,127,553	1,459,013	2,586,566	**21,974,792**	21,239,839
Institute food and lodging	425	9,838,341	8,703	775	9,848,244	1,014	276	1,290	**9,849,534**	8,657,528
Corps member support	5,580,946	44,500	1,210,587	420,466	7,256,499	485	174,976	175,461	**7,431,960**	10,257,314
Postage and delivery	49,223	45,147	312,812	84,590	491,772	20,290	75,921	96,211	**587,983**	524,799
Telecommunications	461,280	315,329	1,957,814	197,657	2,932,080	272,289	195,806	468,095	**3,400,175**	3,016,254
Equipment and supplies	1,135,691	1,719,896	3,553,963	675,650	7,085,200	515,487	709,497	1,224,984	**8,310,184**	7,125,125
Special events - other	2,965	10,020	56,987	6,072	76,044	31,945	59,157	91,102	**167,146**	147,609
Subscriptions and dues	19,822	36,038	312,270	55,730	423,860	83,052	67,562	150,614	**574,474**	377,652
Grants	-	-	-	-	-	-	-	-	**-**	85,000
Printing, advertising and media	339,849	168,452	457,583	285,490	1,251,374	119,796	340,629	460,425	**1,711,799**	1,959,899
Occupancy	1,433,462	1,209,603	7,311,818	492,189	10,447,072	405,014	657,753	1,062,767	**11,509,839**	10,176,882
Miscellaneous	39,568	453,391	116,573	23,898	633,430	18,616	50,555	69,171	**702,601**	433,454
Interest, insurance, fees and other	91,772	40,192	293,252	60,014	485,230	965,471	395,047	1,360,518	**1,845,748**	1,478,012
Depreciation and amortization	3,570,651	1,360,248	5,951,085	2,720,683	13,602,667	2,026,927	2,040,372	4,067,299	**17,669,966**	14,696,670
Total	$ 44,056,551	$ 38,635,757	$ 104,037,074	$ 20,396,035	$ 207,125,417	$ 19,911,043	$ 25,521,342	$ 45,432,385	**$ 252,557,802**	$ 219,189,294

This schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.

Teach For America, Inc.

SCHEDULE OF UNRESTRICTED FUNCTIONAL EXPENSES

For the year ended September 30, 2012, with comparative totals for 2011

	Program services					Supporting services				
	Teacher recruitment and selection	Pre-service institute	Placement, professional development, and other	Alumni affairs	Total program services	Management and general	Fundraising	Total supporting services	2012 Total	2011 Total
Expenses:										
Personnel expenses	$ 26,754,621	$ 16,542,028	$ 70,840,103	$11,270,633	$125,407,385	$11,345,479	$16,324,209	$27,669,688	$153,077,073	$129,780,164
Professional services	1,482,784	489,489	3,148,784	712,307	5,833,364	1,876,896	2,822,389	4,699,285	10,532,649	8,191,882
Travel, meetings and subsistence	3,093,492	6,363,083	8,504,740	1,116,696	19,078,011	1,008,845	1,459,013	2,467,858	21,545,869	21,097,810
Institute food and lodging	425	9,838,341	8,703	775	9,848,244	1,014	276	1,290	9,849,534	8,657,528
Corps member support	5,580,946	44,500	1,210,587	420,466	7,256,499	485	174,976	175,461	7,431,960	10,257,313
Postage and deliver	49,223	45,147	312,812	66,499	473,681	16,551	75,921	92,472	566,153	523,038
Telecommunications	461,280	315,329	1,957,814	188,590	2,923,013	249,925	195,806	445,731	3,368,744	3,008,641
Equipment and supplies	1,135,691	1,719,896	3,553,963	640,323	7,049,873	286,776	708,080	994,856	8,044,729	7,119,762
Special events	2,965	10,020	56,987	6,072	76,044	31,945	59,157	91,101	167,145	147,609
Subscriptions and dues	19,822	36,038	312,270	35,267	403,397	79,341	67,562	146,904	550,301	363,688
Grants	-	-	-	2,035,800	2,035,800	-	-	-	2,035,800	652,206
Printing, advertising and media	339,849	168,452	457,583	276,690	1,242,574	117,501	340,629	458,130	1,700,704	1,952,653
Occupancy	1,433,462	1,209,603	7,311,818	492,189	10,447,072	381,213	657,753	1,038,966	11,486,038	10,163,472
Miscellaneous	39,568	453,391	116,573	23,696	633,228	10,002	50,555	60,557	693,785	430,578
Interest, insurance, fees and other	91,772	40,192	293,252	60,014	485,230	961,265	395,047	1,356,312	1,841,542	1,469,363
Depreciation and amortization	3,570,651	1,360,248	5,951,085	2,720,683	13,602,667	2,012,257	2,040,372	4,052,629	17,655,296	14,696,670
Total operating expenses	$ 44,056,551	$ 38,635,757	$ 104,037,074	$ 20,066,700	$ 206,796,082	$ 18,379,495	$ 25,371,745	$ 43,751,240	$ 250,547,322	$ 218,512,377

This schedule should be read in conjunction with the accomanyingreport of independent certified public accountants and ocnsolidted financial statements and notes thereto.

Leadership for Educational Equity

SCHEDULE OF UNRESTRICTED FUNCTIONAL EXPENSES

For the year ended September 30, 2012, with comparative totals for 2011

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	Program services			Supporting services				
	Membership services	Leadership development	Total program services	Management and general	Fundraising	Total supporting services	2012 Total	2011 Total
Expenses:								
Personnel expenses	$ 163,469	$ 1,545,494	$ 1,708,963	$ 696,727	$ 146,583	$ 843,310	$ 2,552,273	$ 685,976
Professional services	4,598	249,409	254,007	404,002	1,597	405,599	659,606	355,233
Travel, meetings and subsistence	30,128	280,087	310,215	118,708	-	118,708	428,923	142,029
Postage and deliver	143	17,949	18,092	3,739	-	3,739	21,831	1,762
Telecommunications	135	8,932	9,067	22,364	-	22,364	31,431	7,612
Equipment and supplies	30,685	4,642	35,327	228,711	1,417	230,128	265,455	5,363
Subscriptions and dues	20,463	-	20,463	3,711	-	3,711	24,174	13,965
Printing, advertising and media	8,800	-	8,800	2,295	-	2,295	11,095	7,244
Occupancy	-	-	-	23,801	-	23,801	23,801	13,412
Miscellaneous	150	51	201	8,614	-	8,614	8,815	5,383
Interest, insurance, fees and other	-	-	-	4,206	-	4,206	4,206	6,144
Depreciation and amortization	-	-	-	14,670	-	14,670	14,670	-
Total Expenses	$ 258,571	$ 2,106,564	$ 2,365,135	$ 1,531,548	$ 149,597	$ 1,681,145	$ 4,046,280	$ 1,244,123

This schedule should be read in conjunction with the accomanyingreport of independent certified public accountants and ocnsolidted financial statements and notes thereto.

Teach For America, Inc.

CONSOLIDATED SCHEDULE OF UNRESTRICTED FUNCTIONAL EXPENSES

For the year ended September 30, 2011

	Program Services					Supporting Services			
	Teacher recruitment and selection	Pre-service institute	Placement, professional development, and other	Alumni Affairs	Total Program Services	Management and General	Fundraising	Total Supporting Services	2011 Total
Expenses:									
Personnel expenses	$ 23,625,307	$ 14,105,438	$ 58,585,041	$ 10,421,946	$ 106,737,732	$ 8,413,231	$ 15,315,179	$ 23,728,410	$ 130,466,142
Professional services	1,258,121	404,675	3,077,404	1,059,574	5,799,774	2,029,466	717,875	2,747,341	8,547,115
Travel, meetings and subsistence	2,684,714	5,716,827	7,000,596	3,786,190	19,188,327	750,522	1,300,990	2,051,512	21,239,839
Institute food and lodging	28	8,651,199	6,132	28	8,657,387	15	126	141	8,657,528
Corps member support	3,915,667	127,688	5,490,968	509,339	10,043,662	2,009	211,643	213,652	10,257,314
Postage and delivery	52,960	35,366	312,003	54,293	454,622	19,098	51,079	70,177	524,799
Telecommunications	413,674	223,673	1,841,914	212,599	2,691,860	133,466	190,928	324,394	3,016,254
Equipment and supplies	829,452	1,220,733	3,016,548	1,247,958	6,314,691	310,528	499,906	810,434	7,125,125
Special events - other	1,198	29,324	38,601	3,074	72,197	26,303	49,109	75,412	147,609
Subscription and dues	14,278	29,654	189,616	51,341	284,889	5,983	86,780	92,763	377,652
Grants	-	-	85,000	-	85,000	-	-	-	85,000
Printing, advertising and media	288,061	329,701	589,141	164,333	1,371,236	137,413	451,250	588,663	1,959,899
Occupancy	1,310,249	945,015	6,219,456	655,679	9,130,399	426,107	620,376	1,046,483	10,176,882
Miscellaneous	167,616	112,827	88,738	22,028	391,209	10,876	31,369	42,245	433,454
Interest, insurance, fess and other	119,569	48,346	324,795	80,725	573,435	504,817	399,760	904,577	1,478,012
Depreciation and amortization	2,970,975	1,131,800	4,951,625	2,263,600	11,318,000	1,680,970	1,697,700	3,378,670	14,696,670
Total	$ 37,651,869	$ 33,112,266	$ 91,817,578	$ 20,532,707	$ 183,114,420	$ 14,450,804	$ 21,624,070	$ 36,074,874	$ 219,189,294

This schedule should be read in conjunction with the accompanying report of independent certified public accountants and consolidated financial statements and notes thereto.