

**THE EDUCATION TRUST  
AND ITS SUPPORTING ORGANIZATION  
(DATA QUALITY CAMPAIGN, INC.)**

**AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2018 AND 2017**

**The Education Trust and its Supporting Organization  
(Data Quality Campaign, Inc.)**

**Table of Contents**

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	<b>Page</b>
<b>Independent Auditor's Report</b>	1 - 2
<b>Audited Consolidated Financial Statements</b>	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities and Changes in Net Assets	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 18
<b>Independent Auditor's Report on Supplementary Information</b>	19
<b>Supplementary Information</b>	
Schedules of Financial Position of The Education Trust - Stand-Alone Basis	20
Schedules of Activities and Changes in Net Assets of The Education Trust - Stand-Alone Basis	21
Schedules of Functional Expenses of The Education Trust - Stand-Alone Basis	22 - 23
Consolidating Schedules of Financial Position	24
Consolidating Schedules of Activities and Changes in Net Assets	25



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## Independent Auditor's Report

Board of Directors

**The Education Trust and its Supporting Organization  
(Data Quality Campaign, Inc.)**  
Washington, D.C.

We have audited the accompanying consolidated financial statements of **The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)** (the Consolidated Entities) which comprise the Consolidated Statements of Financial Position as of June 30, 2018 and 2017, and the related Consolidated Statements of Activities and Changes in Net Assets and Cash Flows for the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

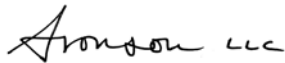
An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

## Independent Auditor's Report (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of **The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)** as of June 30, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Rockville, Maryland  
October 23, 2018

**The Education Trust and its Supporting Organization**  
**(Data Quality Campaign, Inc.)**

**Consolidated Statements of Financial Position**

<i>June 30,</i>	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 6,521,073	\$ 4,518,566
Contributions receivable, current portion	11,666,762	11,723,020
Accounts receivable	99,839	197,595
Prepaid expenses	346,396	411,193
Assets - discontinued operations	-	282,947
<b>Total current assets</b>	<b>18,634,070</b>	<b>17,133,321</b>
<b>Investments</b>	<b>7,235,641</b>	<b>6,215,629</b>
<b>Contributions receivable, net</b>	<b>2,022,807</b>	<b>3,787,380</b>
<b>Property and equipment, net</b>	<b>1,378,767</b>	<b>1,736,504</b>
<b>Deposits</b>	<b>198,390</b>	<b>196,906</b>
<b>Total assets</b>	<b>\$ 29,469,675</b>	<b>\$ 29,069,740</b>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Obligations under capital lease, current portion	\$ 4,467	\$ 4,207
Accounts payable	587,009	308,956
Accrued payroll and related expenses	1,140,018	971,480
Deferred revenue	-	67,626
Deferred rent, current portion	319,521	273,992
Liabilities - discontinued operations	-	282,947
<b>Total current liabilities</b>	<b>2,051,015</b>	<b>1,909,208</b>
<b>Long-term liabilities</b>		
Obligations under capital lease, net of current portion	5,151	9,617
Deferred rent, net of current portion	1,331,581	1,667,927
<b>Total long-term liabilities</b>	<b>1,336,732</b>	<b>1,677,544</b>
<b>Total liabilities</b>	<b>3,387,747</b>	<b>3,586,752</b>
<b>Net assets</b>		
Unrestricted	5,372,963	5,104,306
Board designated	1,201,531	1,201,531
<b>Total unrestricted net assets</b>	<b>6,574,494</b>	<b>6,305,837</b>
Temporarily restricted net assets	19,507,434	19,177,151
<b>Total net assets</b>	<b>26,081,928</b>	<b>25,482,988</b>
<b>Total liabilities and net assets</b>	<b>\$ 29,469,675</b>	<b>\$ 29,069,740</b>

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

**The Education Trust and its Supporting Organization**  
**(Data Quality Campaign, Inc.)**

**Consolidated Statements of Activities and Changes in Net Assets**

<i>Years Ended June 30,</i>	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and revenue</b>						
Contributions	\$ 1,621,691	\$ 21,161,560	\$ 22,783,251	\$ 1,008,830	\$ 19,255,013	\$ 20,263,843
Contracts	197,252	-	197,252	371,587	-	371,587
Program service fees	174,549	-	174,549	96,397	-	96,397
Registration fees	14,109	-	14,109	-	-	-
Investment income	20,121	-	20,121	28,925	-	28,925
Other income	26,547	-	26,547	45,428	-	45,428
Net assets released from restrictions	20,831,277	(20,831,277)	-	16,514,527	(16,514,527)	-
<b>Total support and revenue</b>	<b>22,885,546</b>	<b>330,283</b>	<b>23,215,829</b>	<b>18,065,694</b>	<b>2,740,486</b>	<b>20,806,180</b>
<b>Expenses</b>						
Program services	20,429,556	-	20,429,556	16,918,142	-	16,918,142
Fundraising	566,458	-	566,458	617,576	-	617,576
General and administrative	1,620,875	-	1,620,875	1,401,966	-	1,401,966
<b>Total expenses</b>	<b>22,616,889</b>	<b>-</b>	<b>22,616,889</b>	<b>18,937,684</b>	<b>-</b>	<b>18,937,684</b>
<b>Change in net assets</b>	<b>268,657</b>	<b>330,283</b>	<b>598,940</b>	<b>(871,990)</b>	<b>2,740,486</b>	<b>1,868,496</b>
<b>Net assets, beginning of year</b>	<b>6,305,837</b>	<b>19,177,151</b>	<b>25,482,988</b>	<b>7,177,827</b>	<b>16,436,665</b>	<b>23,614,492</b>
<b>Net assets, end of year</b>	<b>\$ 6,574,494</b>	<b>\$ 19,507,434</b>	<b>\$ 26,081,928</b>	<b>\$ 6,305,837</b>	<b>\$ 19,177,151</b>	<b>\$ 25,482,988</b>

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

**The Education Trust and its Supporting Organization  
(Data Quality Campaign, Inc.)**

**Consolidated Statements of Cash Flows**

<i>Years Ended June 30,</i>	<b>2018</b>	<b>2017</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 598,940	\$ 1,868,496
<b>Adjustments to reconcile change in net assets to net cash provided (used) by operating activities</b>		
Depreciation and amortization	467,612	473,530
Unrealized losses on investments	56,346	17,463
Discount for long-term contributions	(75,476)	(45,990)
<b>(Increase) decrease in:</b>		
Contributions receivable	1,896,307	(3,953,442)
Accounts receivable	97,756	105,759
Prepaid expenses	64,797	(55,597)
Deposits	(1,484)	(17,279)
<b>Increase (decrease) in:</b>		
Accounts payable	278,053	(141,675)
Accrued payroll and related expenses	168,538	79,563
Deferred revenue	(67,626)	(2,906)
Deferred rent	(290,817)	(185,488)
<b>Net cash provided (used) by operating activities</b>	<b>3,193,571</b>	<b>(1,857,566)</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(110,500)	(91,443)
Purchase of investments	(3,606,076)	(55,790)
Proceeds from redemptions of investments	2,529,718	-
<b>Net cash used in investing activities</b>	<b>(1,186,858)</b>	<b>(147,233)</b>
<b>Cash flows from financing activities</b>		
Repayment of obligations under capital lease	(4,206)	(3,964)
<b>Net change in cash and cash equivalents</b>	<b>2,002,507</b>	<b>(2,008,763)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>4,518,566</b>	<b>6,527,329</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 6,521,073</b>	<b>\$ 4,518,566</b>
<b>Supplemental cash flow information</b>		
Interest paid	\$ 715	\$ 949

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

# **The Education Trust and its Supporting Organization (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 using 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.

**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.

**U.S. Education Delivery Institute, Inc.** – U.S. Education Delivery Institute, Inc. (USEDI) was 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. During the year ended June 30, 2016, a decision was made to discontinue the operations of USEDI effective July 31, 2016. As such, USEDI's 2017 balances are presented as discontinued operations in the accompanying consolidated financial statements (See Note 11).



# **The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)**

## **Notes to Consolidated Financial Statements**

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**Basis of consolidation:** The Education Trust is consolidated with its supporting organization since The Education Trust has the ability to appoint the majority of the supporting organization's board members and the rights to any residual economic interest that exists through residual assets. The supporting organization's mission supports The Education Trust by furthering the mission of The Education Trust. The supporting organization maintains 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 in consolidation. The consolidated financial statements include the activity of The Education Trust and DQC (the supporting organization), which are collectively referred to herein as the Consolidated Entities. As noted above, USED1 was included in the consolidated entities in as of June 30, 2017 and ceased to exist during 2018.

**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. Board designated unrestricted net assets are net assets that are restricted by the Board of Directors for a reserve fund.

**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.

**Permanently restricted net assets:** Net assets subject to donor-imposed stipulations that they be maintained permanently. There were no permanently restricted net assets as of June 30, 2018 and 2017.

**Cash and cash equivalents:** For purposes of financial statement presentation, the Consolidated Entities consider 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.

# **The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)**

## **Notes to Consolidated Financial Statements**

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**Contributions receivable:** The Consolidated Entities record unconditional contributions of gifts in the consolidated financial statements at the time contributions are made or received. The allowance for doubtful accounts reflects the best estimate of probable losses determined principally on the basis of historical experience and specific allowances for known trouble accounts. All accounts or portions thereof that are deemed to be uncollectible or that require an excessive collection cost are written off to the allowance for doubtful accounts. Receivables expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discount on contributions is computed at a discount rate approximating the prevailing borrowing rate of 3% to 5%.

Management believes that all contributions are collectible; therefore, there is no provision for doubtful accounts in the accompanying consolidated financial statements.

**Accounts receivable:** Services performed and billed under contracts but not yet received are shown as accounts receivable. The allowance for doubtful accounts reflects the best estimate of probable losses determined principally on the basis of historical experience and specific allowances for known trouble accounts. All accounts or portions thereof that are deemed to be uncollectible or that require an excessive collection cost are written off to the allowance for doubtful accounts. Receivables expected to be collected in future years are recorded at the present value of their estimated future cash flows. All balances are considered fully collectible by the Consolidated Entities, therefore no allowance was deemed necessary as of June 30, 2018 and 2017.

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

**Investments:** Investments are stated at fair value and consist of money market funds, certificates of deposits, corporate bonds, and asset backed securities with maturities greater than three months. Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

# **The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)**

## **Notes to Consolidated Financial Statements**

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**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 thirteen years. Leasehold improvements are amortized over their remaining useful life or remaining lease term, whichever is shorter. The Education Trust capitalizes all fixed assets greater than \$1,000 and Data Quality Campaign capitalizes computer software and website development over \$5,000 and equipment and property purchases over \$1,500.

### **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.

Donated services, furniture, and software are valued at the vendor's estimated cost of the project or item. For the years ended June 30, 2018 and 2017, the recognized value of donated services and furniture was \$84,641 and \$195,313, respectively. Donated services, furniture, and software were included in contributions on the Consolidated Statements of Activities and Changes in Net Assets.

**Contracts:** Fees for service contract revenue is recognized and billed monthly as work is performed. Amounts received in advance are included in deferred revenue on the Consolidated Statements of Financial Position.

**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.

# The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)

## Notes to Consolidated Financial Statements

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

**Other income:** Other income includes rental income from subleases, royalties and other miscellaneous income which are recognized as revenue when earned.

**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. The Consolidated Entities are exempt from federal income tax under 501(c)(3) of the Internal Revenue Code, and are all classified as organizations that are not private foundations.

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, 2018 and 2017, 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 2015 through the current year remain open for examination by tax authorities.

**Use of estimates:** The preparation of consolidated 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 23, 2018, which is the date the consolidated financial statements were available to be issued.

**The Education Trust and its Supporting Organization  
(Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

**2. Contributions receivable**

At June 30, 2018 and 2017, the Consolidated Entities had contributions receivable from corporations and private foundations.

Contributions receivable consist of the following as of June 30:

	<b>2018</b>	2017
Due within one year	<b>\$ 11,666,762</b>	\$ 11,723,020
Contributions receivable, one to five years	<b>2,118,284</b>	3,958,334
Subtotal	<b>13,785,046</b>	15,681,354
Present value discount	<b>(95,477)</b>	(170,954)
<b>Total contributions receivable</b>	<b>\$ 13,689,569</b>	\$ 15,510,400

The receivables collectible beyond one year have been discounted to their present value using a discount rate between 3% to 5%.

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

	<b>2018</b>	2017
Contributions receivable by The Education Trust	<b>\$ 11,051,679</b>	\$ 12,026,496
Contributions receivable by DQC	<b>2,733,367</b>	3,654,858
Subtotal	<b>13,785,046</b>	15,681,354
Present value discount	<b>(95,477)</b>	(170,954)
<b>Total contributions receivable</b>	<b>\$ 13,689,569</b>	\$ 15,510,400

# The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)

## Notes to Consolidated Financial Statements

- 3. Investments**      The following is a summary of the Consolidated Entities' investments as of June 30, 2018 and 2017. DQC had no investments as of June 30, 2017:

	<b>2018</b>			2017
	DQC	The Education Trust	Total	The Education Trust
Money market fund	\$ 305,770	\$ 1,723,013	\$ <b>2,028,783</b>	\$ 1,846,439
Corporate fixed income	-	25,165	<b>25,165</b>	27,098
Certificates of deposit	-	4,485,795	<b>4,485,795</b>	4,342,092
Mutual funds				
Emerging markets	62,753	-	<b>62,753</b>	-
International	130,586	-	<b>130,586</b>	-
Bonds	134,685	-	<b>134,685</b>	-
Equity	367,874	-	<b>367,874</b>	-
<b>Total investments</b>	<b>\$ 1,001,668</b>	<b>\$ 6,233,973</b>	<b>\$ 7,235,641</b>	<b>\$ 6,215,629</b>

Investment income and loss on investments for the years ended June 30, 2018 and 2017 consisted of the following:

June 30, 2018	DQC	The Education Trust	Total
Interest and dividends	\$ 16,348	\$ 60,119	\$ <b>76,467</b>
Unrealized loss	(7,344)	(49,002)	<b>(56,346)</b>
<b>Investment income</b>	<b>\$ 9,004</b>	<b>\$ 11,117</b>	<b>\$ 20,121</b>

June 30, 2017	DQC	The Education Trust	Total
Interest and dividends	\$ 5,920	\$ 40,468	\$ 46,388
Unrealized loss	-	(17,463)	(17,463)
<b>Investment income</b>	<b>\$ 5,920</b>	<b>\$ 23,005</b>	<b>\$ 28,925</b>

# The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)

## Notes to Consolidated Financial Statements

### 4. Fair value

The Consolidated Entities value 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. There have been no changes in the fair value methodologies used at June 30, 2018 and 2017. DQC had no assets at June 30, 2017 that were measured at fair value. The fair value of the Consolidated Entities investments 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>Significant Other Unobservable Inputs (Level 3)</b>
<b>June 30, 2018</b>	<b>Total</b>			
Money market fund	\$ 2,028,783	\$ 2,028,783	\$ -	\$ -
Corporate fixed income	25,165	-	25,165	-
Certificates of deposit	4,485,795	-	4,485,795	-
Mutual funds				
Emerging markets	62,753	62,753	-	-
International	130,586	130,586	-	-
Bonds	134,685	134,685	-	-
Equity	367,874	367,874	-	-
<b>Total</b>	<b>\$ 7,235,641</b>	<b>\$ 2,724,681</b>	<b>\$ 4,510,960</b>	<b>\$ -</b>

**The Education Trust and its Supporting Organization  
(Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

		Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
June 30, 2017	Total			
Money market fund	\$ 1,846,439	\$ 1,846,439	\$ -	\$ -
Corporate fixed income	27,098	-	27,098	-
Certificates of deposit	4,342,092	-	4,342,092	-
<b>Total</b>	<b>\$ 6,215,629</b>	<b>\$ 1,846,439</b>	<b>\$ 4,369,190</b>	<b>\$ -</b>

Level 2 values were developed utilizing the current interest rates for certificates of deposit with similar time to maturity, discounting the future payments to present value at year end. Corporate fixed income values were developed utilizing prices for similar assets in markets without active trading volumes. Mutual funds are valued based on quoted prices in active markets. The money market fund is valued at cost which approximates fair value.

**5. Property and equipment**

Property and equipment of the Consolidated Entities consist of the following at June 30, 2018 and 2017:

<b>June 30, 2018</b>	<b>DQC</b>	<b>The Education Trust</b>	<b>Total</b>
Leasehold improvements	\$ 687,040	\$ 1,406,326	<b>\$ 2,093,366</b>
Furniture and equipment	269,040	668,779	<b>937,819</b>
Website development	192,545	-	<b>192,545</b>
Software	51,429	-	<b>51,429</b>
<b>Total</b>	<b>1,200,054</b>	<b>2,075,105</b>	<b>3,275,159</b>
Less: Accumulated depreciation and amortization	(535,593)	(1,360,799)	<b>(1,896,392)</b>
<b>Net</b>	<b>\$ 664,461</b>	<b>\$ 714,306</b>	<b>\$ 1,378,767</b>
Depreciation expense	\$ 32,245	\$ 123,525	<b>\$ 155,770</b>
Amortization expense	98,090	213,752	<b>311,842</b>
<b>Total depreciation and amortization expense</b>	<b>\$ 130,335</b>	<b>\$ 337,277</b>	<b>\$ 467,612</b>



**The Education Trust and its Supporting Organization  
(Data Quality Campaign, Inc.)**

**Notes to Consolidated Financial Statements**

June 30, 2017	DQC	The Education Trust	Total
Leasehold improvements	\$ 687,040	\$ 1,406,326	\$ 2,093,366
Furniture and equipment	264,567	568,628	833,195
Website development	192,545	-	192,545
Software	51,429	-	51,429
Total	1,195,581	1,974,054	3,170,535
Less:			
Accumulated depreciation and amortization	(410,508)	(1,023,523)	(1,434,031)
Net	\$ 785,073	\$ 951,431	\$ 1,736,504
Depreciation expense	\$ 34,971	\$ 113,648	\$ 148,619
Amortization expense	112,051	212,860	324,911
Total depreciation and amortization expense	\$ 147,022	\$ 326,508	\$ 473,530

**6. Operating leases**

The Education Trust is obligated, as lessee, under non-cancelable operating leases for office space in Washington, D.C. through September 30, 2020. The minimum payments required under the leases are expensed on a pro rata basis over the term of the leases. DQC is obligated, as a lessee, under a non-cancelable lease for office space in the District of Columbia through July 31, 2026.

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, 2018.

Year Ending June 30,	Amount
2019	\$ 1,886,040
2020	1,891,670
2021	907,678
2022	490,705
2023	485,151
Thereafter	1,573,074
<b>Total</b>	<b>\$ 7,234,318</b>

# The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)

## Notes to Consolidated Financial Statements

Total rent expense of the Consolidated Entities for the years ended June 30, 2018 and 2017 was \$1,812,174 and \$1,762,570, respectively.

- 7. Capital lease** The Consolidated Entities currently maintain a capital lease for office equipment expiring in July 2020. The minimum lease payments due for future fiscal years are as follows as of June 30, 2018:

Year Ending June 30,	Amount
2019	\$ 4,922
2020	4,922
2021	411
Total minimum lease payments	10,255
Less: imputed interest	(637)
Subtotal	9,618
Less: current portion	(4,467)
<b>Non-current portion</b>	<b>\$ 5,151</b>

Total equipment under capital lease consists of a copier with a capitalized cost of \$21,218 for the years ended June 30, 2018 and 2017, accumulated depreciation in the Consolidated Statements of Financial Position included \$12,377 and \$8,134, respectively, relating to the leased equipment. For the years ended June 30, 2018 and 2017, depreciation expense reported in the Consolidated Statements of Activities and Changes in Net Assets includes \$4,243 for both of the years ended June 30, 2018 and 2017, for the equipment under the capital lease.

- 8. 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; and Community Outreach and Dissemination. DQC's temporarily restricted net assets are restricted for time.

Temporarily restricted net assets at June 30, 2018 and 2017 were as follows:

	2018	2017
The Education Trust programs	\$ 16,788,630	\$ 15,559,913
DQC	2,718,804	3,617,238
<b>Total temporarily restricted net assets</b>	<b>\$ 19,507,434</b>	<b>\$ 19,177,151</b>

# The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)

## Notes to Consolidated Financial Statements

### 9. Concentration

Concentrations existed for the Consolidated Entities in support and revenue for the years ended June 30, 2018 and 2017, and contributions receivable as of June 30, 2018 and 2017. Concentrations by entity are as follows:

	2018	2017
The Education Trust support and revenue	44% from three private foundations	70% from two private foundations
The Education Trust contributions receivable	62% from one private foundation	81% From one private foundation
DQC support and revenue	86% from two private foundations	74% from one private foundation
DQC contributions receivable	99% from three private foundations	92% from two private foundations

### 10. 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 \$554,569 and \$482,198 to the plan during the years ended June 30, 2018 and 2017, 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 made no contributions to this plan during the years ended June 30, 2018 and 2017.

DQC maintains a 401(k) defined contribution retirement plan. All employees are eligible to participate immediately. DQC makes discretionary contributions of 3% to 6% of each participant's annual salary, and will match up to an additional 3% of an employee's contribution. The participants are vested over a period of five years in accordance with the plan document. DQC contributed \$194,860 and \$174,119 to the plan for the years ended June 30, 2018 and 2017, respectively.

# The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)

## Notes to Consolidated Financial Statements

USEDI maintained a 401(k) defined contribution retirement plan. Employees were immediately eligible to participate in USEDI's 401(k) defined contribution plans. The employer baseline contribution was 3% of the employee's qualifying compensation, without regard to the employee's own contribution. USEDI provided 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 were immediately fully vested in all contributions. USEDI contributed \$5,699 to the plan during the year ended June 30, 2017.

### 11. Discontinued operations

U.S. Education Delivery Institute, Inc. (USEDI) was 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. During the year ended June 30, 2016, a decision was made to close down the operations of USEDI effective July 31, 2016.

As a result of the decision, at June 30, 2017, assets of \$282,947 and liabilities of \$282,947 of USEDI are shown separately as discontinued operations in the accompanying Consolidated Statements of Financial Position. The components of these assets and liabilities were as follows:

June 30,	2017
Deposits	\$ 75,000
Close-out funds held in Trust	207,947
<b>Total assets – discontinued operations</b>	<b>\$ 282,947</b>
Tenant rent liability	\$ 282,947
<b>Total liabilities – discontinued operations</b>	<b>\$ 282,947</b>

The revenue for USEDI was \$175,806 for contracts and other income, and the expenses were \$175,806 for the year ended June 30, 2017 and was included netted in the accompanying Consolidated Statements of Activities and Changes in Net Assets as discontinued operations.



## Independent Auditor's Report on Supplementary Information

Board of Directors  
**The Education Trust and its Supporting Organization**  
**(Data Quality Campaign, Inc.)**  
Washington, D.C.

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Suite 300  
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We have audited the consolidated financial statements of **The Education Trust and its Supporting Organization (Data Quality Campaign, Inc.)** as of and for the years ended June 30, 2018 and 2017, and have issued our report thereon dated, October 23, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole.

The Schedules of Financial Position—Stand-Alone Basis, the Schedules of Activities and Changes in Net Assets—Stand-Alone Basis, the Schedules of Functional Expenses—Stand-Alone Basis, the Consolidating Schedule of Financial Position, and the Consolidating Schedule of Activities and Changes in Net Assets are presented for the purposes of additional analysis and are 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 audit 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 23, 2018

## The Education Trust

### Schedules of Financial Position of The Education Trust - Stand-Alone Basis

<i>June 30,</i>	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 5,128,811	\$ 1,805,831
Contributions receivable, current portion	9,433,395	9,359,829
Accounts receivable	99,839	197,595
Prepaid expenses	331,663	352,207
<b>Total current assets</b>	<b>14,993,708</b>	11,715,462
<b>Investments</b>	<b>6,233,973</b>	6,215,629
<b>Contributions receivable, net</b>	<b>1,537,370</b>	2,533,334
<b>Property and equipment, net</b>	<b>714,306</b>	951,431
<b>Deposits</b>	<b>131,117</b>	129,633
<b>Total assets</b>	<b>\$ 23,610,474</b>	\$ 21,545,489
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 400,924	\$ 216,365
Accrued payroll and related expenses	946,364	738,905
Deferred contract revenue	-	67,626
Deferred rent, current portion	256,038	228,502
<b>Total current liabilities</b>	<b>1,603,326</b>	1,251,398
<b>Long term liabilities</b>		
Deferred rent, net of current portion	404,173	677,036
<b>Total liabilities</b>	<b>2,007,499</b>	1,928,434
<b>Net assets</b>		
Unrestricted	4,814,345	4,057,142
Temporarily restricted	16,788,630	15,559,913
<b>Total net assets</b>	<b>21,602,975</b>	19,617,055
<b>Total liabilities and net assets</b>	<b>\$ 23,610,474</b>	\$ 21,545,489

The Schedules of Financial Position of The Education Trust - Stand-Alone Basis present the operations of The Education Trust without those of its supporting organization (Data Quality Campaign, Inc.).

Refer to Independent Auditor's Report on Supplementary Information.

# The Education Trust

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

<i>Years Ended June 30,</i>	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Support and revenue</b>						
Contributions	\$ 168,390	\$ 19,696,803	\$ 19,865,193	\$ 229,180	\$ 19,255,013	\$ 19,484,193
Grants and contracts	197,252	-	197,252	371,587	-	371,587
Program service fees	174,549	-	174,549	96,397	-	96,397
Registration fees	14,109	-	14,109	-	-	-
Investment income	11,117	-	11,117	23,005	-	23,005
Other income	16,537	-	16,537	33,196	-	33,196
Net assets released from restrictions	18,468,086	(18,468,086)	-	13,187,497	(13,187,497)	-
<b>Total support and revenue</b>	<b>19,050,040</b>	<b>1,228,717</b>	<b>20,278,757</b>	<b>13,940,862</b>	<b>6,067,516</b>	<b>20,008,378</b>
<b>Expenses</b>						
Program services	17,022,699	-	17,022,699	13,904,678	-	13,904,678
Fundraising	505,467	-	505,467	560,693	-	560,693
General and administrative	764,671	-	764,671	725,261	-	725,261
<b>Total expenses</b>	<b>18,292,837</b>	<b>-</b>	<b>18,292,837</b>	<b>15,190,632</b>	<b>-</b>	<b>15,190,632</b>
<b>Change in net assets</b>	<b>757,203</b>	<b>1,228,717</b>	<b>1,985,920</b>	<b>(1,249,770)</b>	<b>6,067,516</b>	<b>4,817,746</b>
<b>Net assets, beginning of year</b>	<b>4,057,142</b>	<b>15,559,913</b>	<b>19,617,055</b>	<b>5,306,912</b>	<b>9,492,397</b>	<b>14,799,309</b>
<b>Net assets, end of year</b>	<b>\$ 4,814,345</b>	<b>\$ 16,788,630</b>	<b>\$ 21,602,975</b>	<b>\$ 4,057,142</b>	<b>\$ 15,559,913</b>	<b>\$ 19,617,055</b>

The Schedules of Activities and Changes in Net Assets of The Education Trust - Stand-Alone Basis present the operations of The Education Trust without those of its supporting organization (Data Quality Campaign, Inc.).

Refer to Independent Auditor's Report on Supplementary Information.

## The Education Trust

### Schedule of Functional Expenses of The Education Trust - Stand-Alone Basis

Year Ended June 30, 2018

	Program Services															Total Program Services	Fundraising	General and Administrative	2018 Total
	K12 Praticte	K12 Policy	Research Department	Resource Equity	HE Practice	HE Policy	HE Research	Communi- cations	Editorial & Design	Legislative Affairs	Field	EdTrust West	EdTrust New York	EdTrust Michigan					
Salaries	\$ 347,803	\$ 638,740	\$ 337,590	\$ 367,761	\$ 248,378	\$ 412,857	\$ 437,135	\$ 690,273	\$ 708,072	\$ 332,279	\$ 544,184	\$ 2,316,439	\$ 581,955	\$ 786,300	\$ 8,749,766	\$ 361,067	\$ 349,027	\$ 9,459,860	
Employee benefits	69,055	155,598	72,608	70,405	44,260	81,085	81,960	149,840	151,712	61,511	118,725	575,096	99,352	201,953	1,933,160	79,066	61,652	2,073,878	
Auditing and finance	524	724	380	431	373	493	556	978	781	476	1,223	22,775	6,548	8,201	44,463	-	49,188	93,651	
Travel and meetings	160,710	20,447	19,829	16,141	94,474	70,370	13,798	49,498	18,465	16,223	577,914	319,785	54,904	57,932	1,490,490	-	60,487	1,550,977	
Consultants and facilitators	30,467	13,995	6,293	43,638	45,176	8,175	113,424	119,410	16,008	115,894	144,255	574,742	138,739	171,162	1,541,378	-	54,515	1,595,893	
Depreciation and amortization	11,241	15,535	8,151	9,244	7,999	10,588	11,928	21,000	16,755	10,224	26,251	100,991	24,549	31,442	305,898	-	31,380	337,278	
Equipment rental	1,003	1,385	727	824	713	944	1,064	1,873	1,494	912	2,341	14,772	1,962	4,739	34,753	-	2,799	37,552	
Insurance	742	1,025	538	610	528	699	787	1,386	1,105	675	1,732	15,411	4,407	16,487	46,132	7,221	2,070	55,423	
Legal	-	-	-	-	-	-	10	-	-	-	-	1,693	-	20	1,723	-	2,482	4,205	
Repairs and maintenance	1,069	1,477	775	879	760	1,006	1,134	1,996	1,593	972	2,495	10,617	2,366	4,071	31,210	-	2,983	34,193	
Miscellaneous	1,587	1,866	1,009	780	681	1,687	1,060	1,957	1,693	862	3,139	29,435	2,246	13,319	61,321	-	2,638	63,959	
Occupancy	37,512	51,840	27,199	30,848	26,693	35,332	39,805	70,076	55,912	34,116	87,600	446,751	136,018	215,287	1,294,989	58,113	104,713	1,457,815	
Office supplies	2,675	3,410	1,866	2,611	1,743	3,387	2,815	5,524	3,965	2,253	6,650	42,619	12,067	12,051	103,636	-	6,839	110,475	
Postage and shipping	937	441	231	262	1,779	300	338	632	545	290	2,987	10,814	2,106	1,676	23,338	-	890	24,228	
Printing and design	283	193	101	115	100	132	149	5,101	3,089	127	1,577	85,858	22,290	21,217	140,332	-	391	140,723	
Professional fees	3,751	18,167	8,040	5,908	2,660	4,124	4,327	122,488	7,637	31,964	8,322	113,313	14,705	27,701	373,107	-	9,804	382,911	
Subgrants	-	-	-	-	-	-	-	-	-	-	33,334	330,318	200,000	-	563,652	-	-	563,652	
Temporary services	5,204	7,192	3,773	4,280	3,703	4,902	5,522	9,722	16,629	4,733	12,153	46,367	10,185	12,325	146,690	-	14,527	161,217	
Staff development	244	315	165	188	162	310	242	8,676	340	208	956	16,572	1,242	979	30,599	-	637	31,236	
Telephone	2,740	3,787	1,987	2,253	1,950	2,581	2,908	5,288	4,084	2,492	6,399	41,481	10,341	17,771	106,062	-	7,649	113,711	
Total expenses	\$ 677,547	\$ 936,137	\$ 491,262	\$ 557,178	\$ 482,132	\$ 638,972	\$ 718,962	\$ 1,265,718	\$ 1,009,879	\$ 616,211	\$ 1,582,237	\$ 5,115,849	\$ 1,325,982	\$ 1,604,633	\$ 17,022,699	\$ 505,467	\$ 764,671	\$ 18,292,837	

The Schedule of Functional Expenses of The Education Trust - Stand-Alone Basis presents the operations of The Education Trust without those of its supporting organization (Data Quality Campaign, Inc).

Refer to Independent Auditor's Report on Supplementary Information.



# The Education Trust

## Schedule of Functional Expenses of The Education Trust - Stand-Alone Basis

Year Ended June 30, 2017

	Program Services															Total Program Services	Fundraising	General And Administrative	2017 Total
	P12 Resource								Editorial & Design	Legislative Affairs	Field	Ed Trust West	Ed Trust NY	ET Michigan					
	P12 Practice	P12 Policy	P12 Research	Equity	HE Practice	HE Policy	HE Research	Communications											
Salaries	\$ 224,148	\$ 510,771	\$ 380,846	\$ 22,837	\$ 418,673	\$ 289,903	\$ 358,175	\$ 543,514	\$ 492,999	\$ 302,310	\$ 362,167	\$ 1,631,356	\$ 255,525	\$ 1,026,408	\$ 6,819,632	\$ 388,295	\$ 327,325	\$ 7,535,252	
Employee benefits	42,261	124,361	77,746	2,208	76,563	52,453	73,798	111,397	114,842	56,086	77,582	402,833	36,511	271,211	1,519,852	90,007	136,965	1,746,824	
Auditing and finance	1,651	9,582	3,760	98	4,686	2,437	4,738	7,851	6,749	4,324	5,536	18,241	3,877	11,094	84,624	-	10	84,634	
Travel and meetings	17,779	10,786	35,853	236	252,671	11,554	6,802	22,628	8,689	10,943	839,042	189,432	26,029	55,930	1,488,374	-	71,792	1,560,166	
Consultants and facilitators	68,828	38,823	11,411	1,355	20,743	6,160	41,403	59,467	20,309	118,822	59,755	421,289	147,341	67,076	1,082,782	-	61,870	1,144,652	
Depreciation and amortization	9,960	61,728	18,581	882	18,481	12,345	20,312	45,237	34,326	23,154	34,272	28,580	4,359	12,694	324,911	-	1,597	326,508	
Equipment rental	806	5,281	1,526	56	1,698	1,107	1,862	3,883	2,817	2,005	2,851	7,166	260	3,919	35,237	-	78	35,315	
Insurance	580	4,364	1,167	48	1,056	778	1,379	3,074	2,366	1,515	1,837	6,079	1,499	13,466	39,208	7,766	(155)	46,819	
Legal	567	1,849	1,025	24	1,329	690	1,148	1,856	1,796	1,066	1,751	4,225	812	2,830	20,968	-	6,493	27,461	
Repairs and maintenance	1,909	9,138	3,595	78	4,189	2,819	4,605	8,999	7,216	4,291	5,228	8,613	687	3,295	64,662	-	2,840	67,502	
Miscellaneous	599	680	387	16	701	530	545	1,039	661	642	1,902	13,075	447	4,720	25,944	-	13,311	39,255	
Occupancy	37,099	141,240	85,788	3,230	101,304	46,935	67,660	134,960	123,630	64,778	71,534	181,747	31,237	127,355	1,218,497	74,625	90,567	1,383,689	
Office supplies	1,815	7,160	4,679	142	3,383	1,580	2,148	6,676	4,238	3,108	7,168	18,475	4,682	6,700	71,954	-	4,635	76,589	
Postage and shipping	281	1,043	191	7	2,850	199	165	520	258	326	5,998	9,483	1,459	2,667	25,447	-	1,158	26,605	
Printing and design	149	69	38	-	48	21	45	3,572	5,205	34	5,273	59,523	11,408	4,177	89,562	-	55	89,617	
Professional fees	5,230	19,500	13,867	283	9,763	5,715	10,536	99,452	11,869	34,266	16,307	67,116	15,650	45,282	354,836	-	5,862	360,698	
Subgrants	-	-	-	-	-	-	-	-	-	16,666	50,000	199,998	150,000	-	416,664	-	-	416,664	
Temporary services	1,392	7,113	2,784	20	3,482	2,032	3,737	6,706	5,146	3,300	3,907	71,079	446	1,075	112,219	-	-	112,219	
Staff development	97	225	231	7	715	102	140	399	597	152	363	6,183	162	2,623	11,996	-	858	12,854	
Telephone	2,254	12,342	3,827	214	3,821	2,620	4,147	9,333	6,904	4,922	7,285	23,140	2,598	13,902	97,309	-	-	97,309	
Total expenses	\$ 417,405	\$ 966,055	\$ 647,302	\$ 31,741	\$ 926,156	\$ 439,980	\$ 603,345	\$ 1,070,563	\$ 850,617	\$ 652,710	\$ 1,559,758	\$ 3,367,633	\$ 694,989	\$ 1,676,424	\$ 13,904,678	\$ 560,693	\$ 725,261	\$ 15,190,632	

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 Organization  
(Data Quality Campaign, Inc.)**

**Consolidating Schedule of Financial Position**

<i>June 30, 2018</i>	<b>DQC</b>	<b>The Education Trust</b>	<b>Total</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 1,392,262	\$ 5,128,811	\$ 6,521,073
Contributions receivable, current portion	2,233,367	9,433,395	11,666,762
Accounts receivable	-	99,839	99,839
Prepaid expenses	14,733	331,663	346,396
<b>Total current assets</b>	<b>3,640,362</b>	<b>14,993,708</b>	<b>18,634,070</b>
<b>Investments</b>	<b>1,001,668</b>	<b>6,233,973</b>	<b>7,235,641</b>
<b>Contributions receivable, net</b>	<b>485,437</b>	<b>1,537,370</b>	<b>2,022,807</b>
<b>Property and equipment, net</b>	<b>664,461</b>	<b>714,306</b>	<b>1,378,767</b>
<b>Deposits</b>	<b>67,273</b>	<b>131,117</b>	<b>198,390</b>
<b>Total assets</b>	<b>\$ 5,859,201</b>	<b>\$ 23,610,474</b>	<b>\$ 29,469,675</b>
<b>Liabilities and Net Assets</b>			
<b>Current liabilities</b>			
Obligations under capital lease	\$ 4,467	\$ -	\$ 4,467
Accounts payable	186,085	400,924	587,009
Accrued payroll and related expenses	193,654	946,364	1,140,018
Deferred rent, current portion	63,483	256,038	319,521
<b>Total current liabilities</b>	<b>447,689</b>	<b>1,603,326</b>	<b>2,051,015</b>
<b>Long term liabilities</b>			
Obligations under capital lease, net of current portion	5,151	-	5,151
Deferred rent, net of current portion	927,408	404,173	1,331,581
<b>Total long term liabilities</b>	<b>932,559</b>	<b>404,173</b>	<b>1,336,732</b>
<b>Total liabilities</b>	<b>1,380,248</b>	<b>2,007,499</b>	<b>3,387,747</b>
<b>Net assets</b>			
Unrestricted	558,618	4,814,345	5,372,963
Board designated	1,201,531	-	1,201,531
<b>Total unrestricted net assets</b>	<b>1,760,149</b>	<b>4,814,345</b>	<b>6,574,494</b>
Temporarily restricted net assets	2,718,804	16,788,630	19,507,434
<b>Total net assets</b>	<b>4,478,953</b>	<b>21,602,975</b>	<b>26,081,928</b>
<b>Total liabilities and net assets</b>	<b>\$ 5,859,201</b>	<b>\$ 23,610,474</b>	<b>\$ 29,469,675</b>

Refer to Independent Auditor's Report on Supplementary Information.

**The Education Trust and its Supporting Organization**  
**(Data Quality Campaign, Inc.)**

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

<i>Year Ended June 30, 2018</i>	<b>DQC</b>	<b>The Education Trust</b>	<b>Total</b>
<b>Changes in unrestricted net assets</b>			
<b>Support and revenue</b>			
Contributions	\$ 1,453,301	\$ 168,390	\$ 1,621,691
Contracts	-	197,252	197,252
Program service fees	-	174,549	174,549
Registration fees	-	14,109	14,109
Investment income	9,004	11,117	20,121
Other income	10,010	16,537	26,547
Net assets released from restrictions	2,363,191	18,468,086	20,831,277
<b>Total support and revenue</b>	<b>3,835,506</b>	<b>19,050,040</b>	<b>22,885,546</b>
<b>Expenses</b>			
Program services	3,406,857	17,022,699	20,429,556
Fundraising	60,991	505,467	566,458
General and administrative	856,204	764,671	1,620,875
<b>Total expenses</b>	<b>4,324,052</b>	<b>18,292,837</b>	<b>22,616,889</b>
<b>Change in unrestricted net assets</b>	<b>(488,546)</b>	<b>757,203</b>	<b>268,657</b>
<b>Changes in temporarily restricted net assets</b>			
Contributions	1,464,757	19,696,803	21,161,560
Net assets released from restrictions	(2,363,191)	(18,468,086)	(20,831,277)
<b>Change in temporarily restricted net assets</b>	<b>(898,434)</b>	<b>1,228,717</b>	<b>330,283</b>
<b>Total change in net assets</b>	<b>(1,386,980)</b>	<b>1,985,920</b>	<b>598,940</b>
<b>Net assets, beginning of year</b>	<b>5,865,933</b>	<b>19,617,055</b>	<b>25,482,988</b>
<b>Net assets, end of year</b>	<b>\$ 4,478,953</b>	<b>\$ 21,602,975</b>	<b>\$ 26,081,928</b>

Refer to Independent Auditor's Report on Supplementary Information.