

OUR 2008 FINANCIAL STATEMENTS



Summer Search 2008 Financial Statements and Highlights

In Fiscal Year 2008, Summer Search completed its most successful fundraising year with \$17.6 million in cash and stock donations and \$1.3 million in gifts in-kind. Management balanced investing in the infrastructure and systems needed to grow and improve the delivery of our programs while keeping overhead spending low. This strategy will continue to guide our decisions in Fiscal Year 2009, and has positioned us well to navigate a more challenging economic climate.

Highlights of our Fiscal Year 2008 financials include:

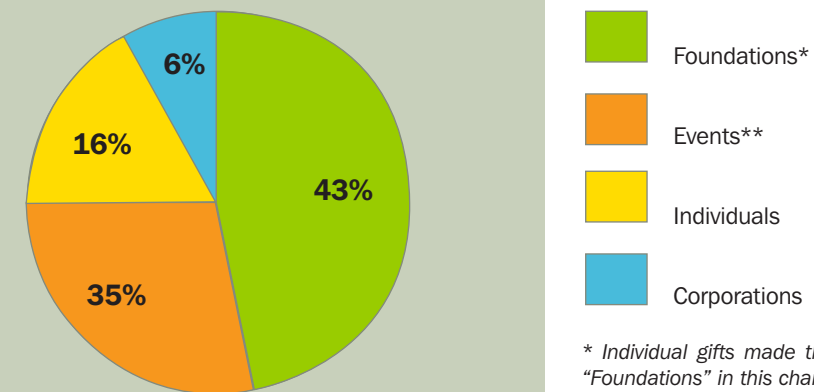
A **\$7.7M** increase in net assets—growth capital for the future so that Summer Search can increase the number of students we serve while building annual revenues;

Maintaining an operating reserve of **\$4.8M**—or more than six months of program expenses—to ensure we can honor our commitment to each student;

Spending **75%** of our total expenses on program—the highest full-year percentage in Summer Search history—despite planned investments in development and operations to build sustainability and reach scale; and

Limiting management and general spending to **\$0.10** out of every dollar spent.

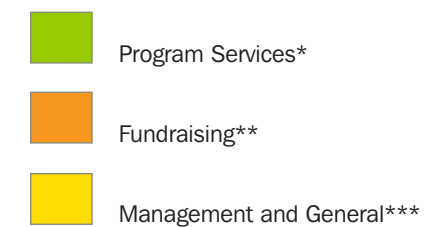
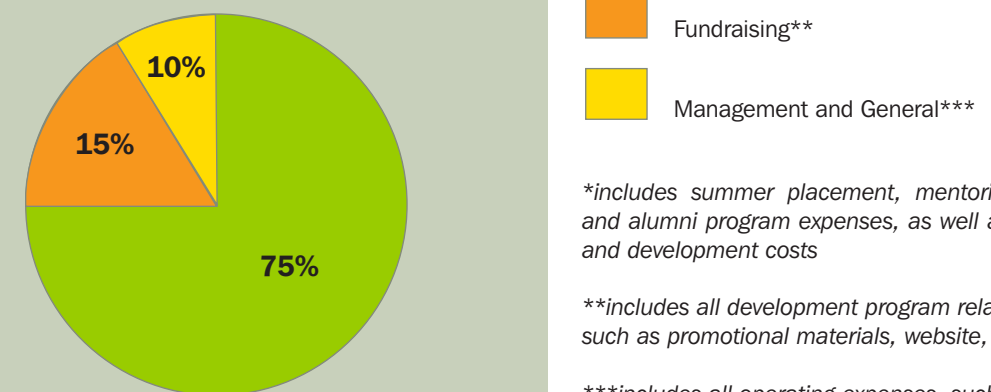
Fiscal Year 2008 Revenue Sources



* Individual gifts made through family foundations are represented in "Foundations" in this chart

** Event revenue includes contributions from foundations, individuals, and corporations

Fiscal Year 2008 Expenses



*includes summer placement, mentoring, college counseling, and alumni program expenses, as well as program staff training and development costs

**includes all development program related expenses, such as promotional materials, website, and event expenses

***includes all operating expenses, such as occupancy, insurance, and IT

STATEMENTS OF FINANCIAL POSITION

	SEPTEMBER 30, 2008				SEPTEMBER 30, 2007			
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
ASSETS								
Current Assets:								
Cash and cash equivalents, including \$68,617 in 2008 and \$66,818 in 2007, dedicated to board designated operating reserves.	\$2,063,510	\$68,730	\$60,000	\$219,2240	\$1,112,130	\$151,400	\$60,000	\$1,323,530
Contributions and other receivables, net	225,581	7,689,169	—	7,914,750	662,522	—	—	662,522
Prepaid and other assets	226,799	—	—	226,799	132,046	—	—	132,046
Total current assets	2,515,890	7,757,899	60,000	10,333,789	1,906,698	151,400	60,000	2,118,098
Investments	2,601,924	65,220	—	2,667,144	3,222,006	—	—	3,222,006
Property and equipment, net	119,622	—	—	119,622	113,850	—	—	113,850
Total assets	\$5,237,436	\$7,823,119	\$60,000	\$13,120,555	\$5,242,554	\$151,400	\$60,000	\$5,453,954
LIABILITIES AND NET ASSETS								
Current Liabilities:								
Accounts payable and accrued expenses	\$352,741	—	—	\$352,741	\$357,802	—	—	\$357,802
Deferred rent	42,221	—	—	42,221	67,427	—	—	67,427
Capital lease obligation, current portion	—	—	—	—	17,597	—	—	17,597
Total liabilities	394,962	—	—	394,962	442,826	—	—	442,826
Net assets	4,842,474	7,823,119	60,000	12,725,593	4,799,728	151,400	60,000	5,011,128
Total Liabilities and net assets	\$5,237,436	\$7,823,119	\$60,000	\$13,120,555	\$5,242,554	\$151,400	\$60,000	\$5,453,954

STATEMENTS OF ACTIVITIES

	FOR THE YEAR ENDED SEPTEMBER 30, 2008				FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007			
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
Revenues, gains and other support:								
Contributions	\$5,524,768	\$9,124,140	—	\$14,648,908	\$3,641,783	\$104,900	—	\$3,746,683
Fundraising events	3,042,102	53,725	—	4,095,827	1,613,676	—	—	1,613,676
Donated services and materials	1,324,799	—	—	1,324,799	1,064,941	—	—	1,064,941
Investment income	(595,308)	—	—	(595,308)	193,370	—	—	193,370
Other income	30,861	—	—	30,861	—	—	—	—
Net assets released from restrictions	1,506,146	(1,506,146)	—	—	1,327,500	(1,327,500)	—	—
Total revenues, gains and other support	10,833,368	7,671,719	—	18,505,087	7,861,270	(1,242,600)	—	6,618,670
Program expenses:								
Summer placement and mentoring	6,255,905	—	—	6,255,905	4,463,416	—	—	4,463,416
Staff training and development program	838,854	—	—	838,854	369,449	—	—	369,449
Alumni award program	729,630	—	—	729,630	408,988	—	—	408,988
College counseling	266,311	—	—	266,311	235,371	—	—	235,371
Total program expenses	8,090,700	—	—	8,070,700	5,477,224	—	60,000	5,477,224
Development and fundraising	1,587,607	—	—	1,587,607	769,982	—	—	769,982
Management and general	1,112,315	—	—	1,112,315	756,996	—	—	756,996
Total expenses	10,790,622	—	—	10,790,622	7,004,202	—	—	7,004,202
Change in net assets	42,746	7,671,719	—	7,714,465	857,068	(1,242,600)	—	(385,532)
Net assets:								
Beginning	4,799,728	151,400	60,000	5,011,128	3,942,660	1,394,000	60,000	5,396,660
Ending	\$4,842,474	\$7,823,119	\$60,000	\$12,725,593	\$4,799,728	\$151,400	\$60,000	\$5,011,128

STATEMENTS OF CASH FLOWS

	FOR THE YEAR ENDED SEPTEMBER 30, 2008				FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007			
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
Cash flows from operating activities								
Change in net assets	\$42,746	\$7,671,719	—	\$7,714,465	\$857,068	\$(1,242,600)	—	\$(385,532)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities								
Discounts on promises to give	—	295,216	—	295,216	—	—	—	—
Depreciation	68,824	—	—	68,824	60,677	—	—	60,677
Bad debts	60,090	32,832	—	92,922	—	—	—	—
In-kind contribution of investments	(435,653)	(65,220)	—	(500,873)	(14,418)	—	—	(14,418)
Net realized and unrealized losses on investments	718,644	—	—	718,644	(71,066)	—	—	(71,066)
Changes in assets and liabilities								
Contributions and other receivables	376,851	(8,017,217)	—	(7,640,366)	(628,275)	736,000	—	107,725
Prepays and other assets	(94,753)	—	—	(94,753)	(17,539)	—	—	(17,539)
Accounts payable and accrued expenses	(5,061)	—	—	(5,061)	20,083	—	—	20,083
Event fees received in advance	—	—	—	—	(461,684)	—	—	(461,684)
Deferred rent	(25,206)	—	—	(25,206)	11,588	—	—	11,588
Net cash provided (used) by operating activities	706,482	(82,670)	—	623,812	(243,566)	(506,600)	—	(750,166)
Cash flows from investing activities								
Purchase of investments	(372,040)	—	—	(372,040)	(564,247)	—	—	(564,247)
Proceeds from sale of investments	709,131	—	—	709,131	2,369	—	—	2,369
Purchase of property and equipment	(74,596)	—	—	(74,596)	(7,564)	—	—	(7,564)
Net cash provided by investing activities	262,492	—	—	262,495	(569,442)	—	—	(569,442)
Cash flows from financing activities								
Principal payments on capital lease	(17,597)	—	—	(17,597)	(10,995)	—	—	(10,995)
Net cash used by financing activities	(17,597)	—	—	(17,597)	(10,995)	—	—	(10,995)
Net increase (decrease) in cash and cash equivalents	951,380	(82,670)	—	868,710	(824,003)	(506,600)	—	(1,330,603)
Cash and cash equivalents								
Beginning	1,112,130	151,400	60,000	1,323,530	1,936,133	658,000	60,000	2,654,133
Ending	\$2,063,510	\$68,730	\$60,000	\$2,192,240	\$1,112,130	\$151,400	\$60,000	\$1,323,530

Note: Summer Search changed its fiscal year from December 31 to September 30 effective September 30, 2007