



Building on a Legacy

A special report about energizing PTA
through leadership, membership, and diversity

2005 National PTA Annual Report



Building on...



5,681,829 members

54 Congresses
(50 states plus District of Columbia
U.S. Virgin Islands, and
Department of Defense Schools in
Europe and the Pacific)

22,561 local units

*H*istory has a way of repeating itself. So it is with the National Parent Teacher Association (PTA). During the first half of the 20th century, PTA began building a nation of involved parents so that America's children succeed and learning environments improve.

Throughout its history, PTA has always been concerned with important issues and has taken action for children. Towards the midpoint of the century, PTA had already played a major role in several federal legislative acts. Among them were the National School Lunch Act in 1946, the Local Public Health Services Act of 1948, the National Child Nutrition Act in 1966, and, more recently, the No Child Left Behind Act in 2002.

Today, at the beginning of the 21st century, PTA is again at the forefront of the latest issues affecting the welfare of children, including childhood obesity, bullying, media technology, and safety. The issues have changed, but PTA's focus remains clear—to speak on behalf of all children, to provide information to assist parents in raising and protecting their children, and to encourage parent and public involvement in education.

For our organization, 2005 was about building on the legacy that is PTA. We continued to build a nation of leaders, successful partnerships, and thriving PTAs one community at a time. We provided leadership training, conducted conferences, and facilitated programs. We worked toward strengthening parents' number-one resource by providing them with relevant information to help raise their children at any age or stage of their lives. We carried on the PTA legacy through humanitarian efforts in the aftermath of Hurricanes Katrina and Rita, innovative tactics to recruit fathers, and increased awareness of PTA's value among parents of more than 13 million Latino school-age children.

An American Legacy

Today, leadership, action, and inclusiveness are our core values as much as they were 100 years ago. Now, as then, we can look at the actions we are taking for all children throughout the country with absolute confidence that we have given our best. These efforts link us to the pioneers who started the PTA legacy more than 100 years ago.

The PTA continues strong with hard work and expertise from its staff, combined with passion and commitment from its volunteer members. Together, we are commanding greater presence, delivering a more resounding voice, and increasing parent involvement.

We are creating a nation of more involved parents. We're doing it by building on our past successes and developing new ways to optimize our strengths. This report describes how we are building on an American legacy by listening, energizing, and executing.

We encourage every child advocate to join PTA in its work for children. Even those who think they know PTA will discover new things about how we are building on its legacy.

Warlene Gary
Warlene Gary
National PTA CEO



As 2005–2007 National PTA president, I am proud to be the latest in a long line of child advocates and parent leaders that stretches all the way back to 1897. When I look back to some of the very earliest concerns of our wonderful organization, I almost feel as though nothing has changed. Even though these are different times, we still face many of the same issues.

But, of course, so many things have changed! We are still promoting physical education in the schools, but only because many schools have reduced or eliminated physical activity to cut expenses. We still want dads to participate in PTA, but our challenge is not in capturing their interest, but rather in planning our activities to fit into their busy schedules—and the schedules of working moms, too.

In 1898, one of our founders said that “irrespective of creed, color, or condition, PTA stands for all parenthood, childhood, homehood.” Our organization continues to build on this legacy of inclusiveness by creating a new ethnic minority outreach effort to assist and represent Latino and other ethnic groups that belong to America’s new wave of immigrants.

Always mindful of our legacy, we nonetheless must move into barely charted waters. Rapid changes in information technology are affording our children access to information and ways of learning our founders never could have imagined. These same “miracles” also pose risks to our children and require parents to learn about cyber-safety and ways to prevent their children from taking shortcuts that may shortchange them in their education. PTA is finding its way along with parents, providing solutions for the challenges they face today and anticipating the needs of tomorrow.

Finally, with scientifically sound research and observed wisdom, we have proven that parent involvement is an enormously important part of ensuring that children achieve academic success and go on to lead productive lives. As we reach out to parents who may wonder what PTA has to do with their lives today, we can answer proudly that in a global economy where education will be the key to success, PTA has never been more relevant than it is today.

PTA is and will continue to build on a strong and timeless legacy to benefit all children.

Anna Marie Weselak
National PTA President

National PTA Board of Directors
(as of June 30, 2005)

Officers

Anna Weselak, President
Jan Harp Domene, President-Elect
Chuck Saylor, Secretary-Treasurer

Member Representatives

Rita Creighton
Sal Jansson
Mavis Knight
Frank Kwan
Betsy Landers
Eugene Peterson
Carol Ritter
Anne Thompson
Gail Vertz
Tina Zubeck

National Council of States Members

Margarita Benjamin
Barb Bungard
Peggy Davis
Laura Dobbs
Rick Mendiando
Larry Williams
Teresa Williams

At-Large Members

Mike Dimich
Rosemary Estrada-Kirby
Lew Frederick
Melvin Heyman
Peggy O'Brien
Jamie Vollmer

Youth Members

Malini Ganvir
Nick Rivera

...a Legacy



Secretary Spellings:

“You’re the ones encouraging parents to play a strong role in the education of their child. The PTA is the bridge between the crazy, overscheduled life we all now lead and the highly confusing, often-intimidating school system.” —U.S. Secretary of Education Margaret Spellings



Walk for Healthy Kids:

PTA took the lead in calling attention to child health and wellness with its 1st Annual Walk for Healthy Kids at the national convention in Columbus.

Building a Nation of Leaders

PTA leaders rely on training to work expertly and confidently on behalf of all schools, families, and children. National PTA provided customized **leadership training** to nearly 300 local leaders nationwide to connect them to e-learning courses and leadership development opportunities needed to manage volunteers and resources. National PTA also conducted **Leadership Conferences** under the theme of "Leadership, Membership and Diversity: Putting Ideas into Action" in Buffalo, New York; Denver, Colorado; Memphis, Tennessee; Sacramento, California; and Savannah, Georgia.

National PTA's **Building Successful Partnerships program** demonstrates how active participation in children's lives from parents, educators, and community members results in higher student achievement, better schools, and stronger communities. The program was updated to include several new features, including a new module designed specifically for school principals.

☞ By year's end, National PTA held 254 Building Successful Partnerships presenter trainings, bringing the total number of presenters to more than 1,000.

☞ Since the program was launched in 1999, more than 3,200 presentations have been given to help school communities create meaningful parent involvement programs and implement the **National Standards for Parent/Family Involvement**.

National PTA launched the **Online Membership and Dues Reporting project** at the beginning of 2005 to obtain and store contact information of individual PTA members. The data will help improve communication with membership, raise awareness of PTA activities and benefits, and increase overall member satisfaction. As of this publication, information for thousands of members has already been collected with help from dozens of state PTAs.

Members, parents, and education leaders came together at the **109th Annual National PTA Convention & Exhibition**, June 23–26, in Columbus, Ohio, to show their colors and reinforce their commitment to America's children. Nearly 2,000 convention attendees participated in more than 60 workshops and five general sessions that provided a forum for learning, sharing, and debating issues facing today's families, schools, and communities. Workshops covered an array of topics including father involvement, member recruitment, education funding, and fundraising. In addition, National PTA President Linda Hodge concluded her term and passed the gavel to incoming president Anna Weselak, who will serve from June 2005 to June 2007.



Department of Labor Grant:

The U.S. Department of Labor presented a \$480,000 grant to National PTA at the convention to foster awareness among parents, teachers, guidance counselors, and young people about career opportunities in high-growth, high-demand industries.

Taking Action for Children

Through Capitol Hill visits, legislative briefings, and strategic relationships, PTA was poised to take action that gets results and makes a difference in the lives of children. On February 17, PTA leaders paid tribute to Founders Day by convening on Capitol Hill to meet face-to-face with federal legislators. Concurrently, thousands of PTA members joined in as part of PTA's Virtual Lobby Day and sent e-mails, letters, and postcards and made phone calls in an effort to urge lawmakers to provide a quality public school education for all children.

“I would like to see NCLB and states measure where schools are succeeding. As parents, we work with our children and when we see them struggling, we provide the assistance and resources to help them improve.”
—Kim Norton, National PTA Field Service Representative.

National PTA also hosted a congressional briefing, **Providing a Quality Education for All Children**, on February 16 to discuss the successes and challenges in implementing the No Child Left Behind Act.

National PTA continued to strengthen its grip on the latest issues through **strategic partnerships** for the benefit of its members and children across the country.

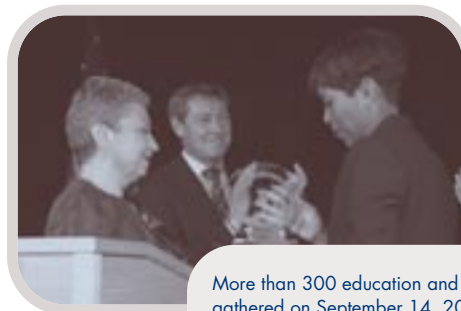
National PTA worked with the National Cable Television Association (NCTA) to develop new measures aimed at providing parents with more tools and information on protecting their children while watching television. PTA also worked with NCTA to provide 100 **Cable in the Classroom** “Control Your TV” workshops to parents across the country.

Studies show that the Internet plays a major role in many children's lives. One recent study suggests that nearly 90 percent of children ages 12 through 17 use the Internet. National PTA joined the Internet Keep Safe Coalition, a broad partnership of governors, law enforcement agencies, organizations, and corporate sponsors that teaches children rules for staying safe online.

In a groundbreaking affiliation with the **Music Education Coalition's SupportMusic.com initiative**, PTA added the voices of nearly 6 million parents to the growing chorus of individuals and associations who desire to strengthen music programs in schools across the country.



Joe Lamond, president and CEO of NAMM, the International Music Products Association, meets with National PTA President-Elect Jan Harp Domene and CEO Warlene Gary.



More than 300 education and business leaders gathered on September 14, 2005, in Washington DC to reaffirm their support of parent involvement at National PTA's inaugural **Commitment to America's Children Gala & Recognition Dinner**. Target received the Commitment to America's Children Award for its dedication to and continuing support of school communities. The event raised more than \$100,000 to support the work of National PTA.



Building a Nation of Involved Parents One School at a Time

National PTA's one-of-a-kind parent involvement program positions schools across the country to achieve quality parent participation in communities. **The Parent Involvement Schools of Excellence Certification** assists schools in being more effective at parent involvement.

In 2005, National PTA presented 80 schools with a Certification of Excellence and 10 with a Recognition of Commitment. Since the program's inception, a total of 587 schools have received the Certification of Excellence and 72 have received the Recognition of Commitment.

Five local PTAs were recognized with the **Phoebe Apperson Hearst-National PTA Excellence in Education Partnership Award** for working with groups or individuals in their communities to promote parent and family involvement in ongoing programs that promote student achievement.

The national award winner was Kingston Elementary School PTA, in partnership with Virginia Aquarium & Marine Science Center in Virginia Beach, Virginia. Through this program, students learned how their daily activities affect the world around them, cared for a 125-gallon saltwater oyster reef aquarium, and took care of their environment with the support of families, school, and community.

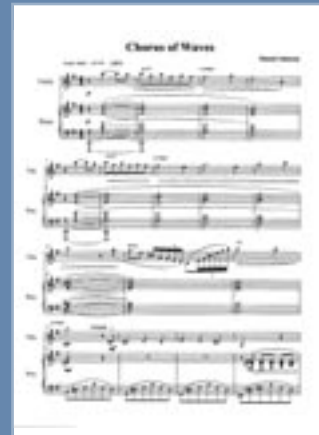
Four PTAs received honorable mention:

- ☞ Century High School PTSA, in partnership with Olmsted County Public Health, Rochester, Minnesota;
- ☞ Collierville High School PTSA, in partnership with Felicia Long Allstate Insurance, Collierville, Tennessee;
- ☞ Dunbar Magnet Middle School PTSA, in partnership with Arkansas Urban Garden Educational Resources, Little Rock, Arkansas;
- ☞ Mt. Woodson Elementary PTA, in partnership with Cold Stone Creamery, Ramona, California.

Every year, the Mary Lou Anderson Reflections Arts Enhancement Grant program provides matching grants of up to \$2,000 to local PTAs for student-centered arts education programs. The following PTAs were selected by National PTA board members for their outstanding arts programs:

- ☞ Jefferson Elementary PTA in Janesville, Wisconsin;
- ☞ Van Alstyne Elementary PTA in Van Alstyne, Texas;
- ☞ Emerald Middle School PTA in El Cajon, California.

National PTA believes all children should receive a comprehensive education in the arts. For more than 30 years, the **Reflections Program** has provided a venue for students nationwide to create works of art for fun and recognition. In 2005, nearly half a million students in preschool through grade 12 submitted works of art in four areas: literature, musical composition, photography, and visual arts.



Tomato Tale

"...no one wanted to be Bob the Tomato's friend, or even play a game with him...because Bob had what no other tomato had,a tail..."

"On the day Bob rescued baby tomato, all the tomatoes saw past the strange tail to the tomato inside, the brave caring Bob."

Outstanding Interpretation, Photography

"Nothing Stops Her"
Benjamin Nagao
Island Creek Elementary School PTA
Alexandria, Virginia

Outstanding Interpretation, Literature

"Tomato Tale"
Grace Kalmus
Claymont Elementary PTA
Claymont, Delaware

Outstanding Interpretation, Musical Composition

"Chorus of Waves"
Daniel Johnson
Central High School PTSA
St. Joseph, Missouri

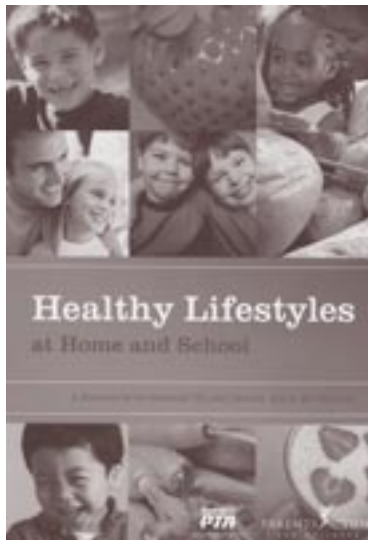
Strengthening America's #1 Parent Resource

Providing Tools That Matter for Parents

PTAs benched the bake sale and addressed serious health concerns that threaten children and affect their achievement as students.

National PTA released **Healthy Lifestyles at Home and**

School, a notebook developed exclusively for PTAs, to help parents focus on addressing child health and wellness. The notebook offered parent-friendly information and tools that local PTAs could use to improve student nutrition and wellness, including how to establish a school wellness policy and actions for parents and schools to prevent childhood obesity.



Since the launch of the redesign, website traffic to www.pta.org has increased, with an average of 260,000 page views each month.

America's #1 Parent Resource

In response to members' needs for staying connected through a powerful online community, **National PTA redesigned its website** to provide parents and leaders with the latest tools and resources to help them help their children succeed. The member-focused website, launched on June 23, provides easy access to the latest parenting tips, resources, and articles. The website features a new search engine powered by Google™, a special area for PTA leaders to get information and exchange ideas, and bulletin boards where parents and leaders discuss current issues.

"Research shows strong links between student achievement and student wellness, which includes physical activity and nutrition," said National PTA President Anna Weselak during the **Back-to-School: Child and Adolescent Health media briefing** in New York City. "Student wellness results in better attendance, higher levels of academic performance, and better attitudes about school."

The media briefing was held with the American Medical Association to release the latest information on classroom health hazards, bullying, and increasing obesity rates.





Answering the timely information needs of members, PTA launched a new set of electronic newsletters to keep parents and PTA leaders abreast of the latest PTA news, parenting tips, and hottest topics.

☞ **The PTA Parent** is issued biweekly to connect parents with expert resources from PTA and provides news that supports parent involvement in schools.

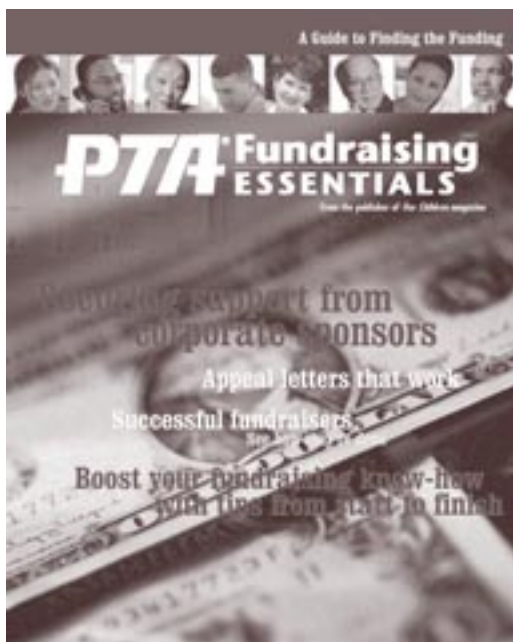
☞ **PTA Local Leader News** is published biweekly and provides PTA local unit leaders with program tips, information about resources and activities, and leadership tools.

☞ **PTA Partners in Leadership** is sent to state PTA presidents and board members monthly. It features news about PTA initiatives, as well as advice on communicating with members.

☞ **This Week in Washington** provides highlights of happenings in the nation's capital to more than 13,000 state PTA leaders, PTA members, and other child advocates. Weekly reports include the latest on legislative actions, policies, and programs.



Reaching more than 27,000 PTA leaders, parents, and child education professionals, National PTA's flagship magazine continues to provide information on helping make households, schools, and communities better places for children. **Our Children** includes parenting articles by experts on children's health, education, and well-being, as well as the latest news that affects children and youth. In 2005, the magazine introduced a new column, called House Call, that reports exclusively on the latest children's health topics, such as medical checkups and childhood obesity. Coverage of topics such as membership recruitment, marketing PTA, and best practices for local PTA programs, were featured prominently in the magazine.



Knowing that it takes additional funds to provide programs and services, PTA again provided more than 120,000 members, leaders, and public school principals across the country with the newest fundraising techniques and advice. The sophomore issue of **PTA Fundraising Essentials** features ideas and how-tos for fundraising that are easy, effective, and fun. The 2005 issue included more articles on topics such as working with corporate donors and using strategies such as telephone banks and direct-mail campaigns.



Parents: go back to school with your kids

(NAPSI)—Whether you are a working mom, a stay-at-home dad, or an involved grandparent, there are many ways to be involved and make a difference in your child's education and school.

Did you know that you can increase your child's success in school just by visiting their classroom or by keeping in touch with their teacher? It's true—parents can significantly improve their child's success by simply being involved in the school.

One in four parents are actively involved in their children's schools. That number shrinks to one in nine among working

Seven Ways to Do More

- Talk with your child's teacher about creating home learning spaces and activities.
- Promote and volunteer for before and after school programs.
- Give positive feedback and show appreciation for teachers and the principal.
- Volunteer your expertise in school.
- Help at your PTA.

Studies have shown that when parents are involved, children have higher grades and test scores, better attendance, increased motivation, better self-esteem, higher graduation rates and a greater likelihood of pursuing a postsecondary education.

"When children see their parents in the classroom or volunteering at school events, they feel special that you are taking time for them and it signals to them that education is very important," said Anne

PTA Leads America Back to School

National PTA helped parents and PTA leaders across the country kick off the school year with the launch of **PTA's Back-to-School Kit**. The kit, a one-stop shop for PTA leaders to ensure a perfect jumpstart to the school year, was sent to all PTAs. The kit included tools to increase parent and community involvement, materials to help PTAs promote good nutrition and physical activity, and teacher recognition ideas. National PTA welcomed Proud Community Partner Office Depot, Inc., to include special discount offers for the back-to-school season.

Connecting in Times of Need

National PTA's history of taking action for children deepened with its response to **Hurricanes Katrina and Rita**. PTA touched the lives of thousands of children and parents in need after these natural disasters with the development of the Adopt-a-PTA program, online disaster relief information center, the Kids of Katrina Fund, and the Hurricanes Katrina and Rita Disaster Relief Agents for PTA schools in hurricane-affected areas.

Adopt-a-PTA Program

National PTA's online **Adopt-a-PTA** program allowed PTA units from across the country to adopt units in disaster-stricken areas and assist units that absorbed displaced students. National PTA's website also featured a disaster relief information center and a special bulletin board that allowed PTAs to share ideas and stay connected.



The **disaster relief grants** were awarded to fund educational activities and to purchase needed equipment or resources—from computers and school supplies for displaced children to desks and library books for damaged schools.



"Everything we do is for children. Their safety, wellness, and education have always been top priorities," said Anna Weselak, PTA national president. "We hope the grants will help rebuild and revitalize hurricane-affected schools and PTAs so that children can return to school and focus on learning and on building their dreams for the future."

Kids of Katrina Fund

Through the Kids of Katrina Fund, National PTA joined forces with Proud Community Partner Office Depot, Inc., and NASCAR driver Carl Edwards to give tens of thousands of school supplies to hurricane-affected schools in Louisiana. More than 20,000 students in 35 schools received needed school supplies, including copy paper, writing tablets, poster board, staplers, staples, paper clips, pens, markers, paint, dry erase boards, and more. In addition, National PTA also delivered four-piece BIC® writing instrument sets to approximately 3,000 students in Louisiana schools.

National PTA Grants for Hurricane-Affected Schools

National PTA awarded \$89,230 in grants to PTAs and schools in six states affected by Hurricanes Katrina and Rita. An estimated 24,900 students benefited from the grants that were awarded to PTAs in Alabama, Florida, Georgia, Louisiana, Mississippi, and Texas. The grants funded educational activities and the purchase of needed equipment or resources.



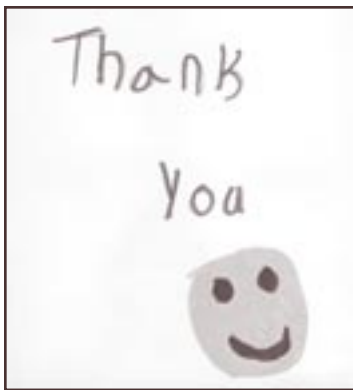
National PTA President Anna Weselak presents a grant to the principal and PTA president of Northshore High School in Slidell, Louisiana.

Art Kit Donation

National PTA joined Rack Room Shoes, Mississippi PTA, and local school officials in November to hand out 3,000 new art supply kits to elementary school children in Mississippi. The 3,000 art kits come from a donation of **more than 30,000 kits** made by Rack Room Shoes to the Mississippi Department of Education's Katrina Recovery Program. Each kit included colored markers, colored pencils, crayons, a paint brush, oil pastels, watercolor paints, an eraser, a pencil sharpener, a ruler, and more.



Students at Walton Elementary School in Jackson, Mississippi, open their new art supply kits.



Students showed their appreciation of receiving art kits with warm and touching thank-you letters.

Sharing the Legacy with All Parents



After a national survey on male involvement indicated that fathers simply need to be asked to become members, National PTA launched an effort to **get men involved** in their children's education. Armed with the survey results, PTA provided all state and local leaders with ideas and tools to assist them in recruiting male members.



During a satellite media tour in New York, National PTA Secretary-Treasurer Chuck Saylor participated in dozens of television interviews about the importance of father involvement.

The effort was also featured in *Child* magazine. In an article called "The Dad Impact," Chuck Saylor cited survey results which showed that dads want to be active in their children's schools.

With more than 13 million Latino school-age children in the United States, Hispanic parents have started to find a voice through PTA.

National PTA recognized the need to provide parent resources in Spanish. That's why PTA launched a **redesigned website**, www.pta.org, that features a companion site entirely in Spanish. The Spanish-language site focuses on parent and community involvement in schools and on how that involvement helps children succeed and learning environments improve. It features information that provides Spanish-speaking parents with relevant resources on raising their children to be healthy and safe.



Three significant **membership recruitment brochures** were produced to help PTAs reach more parents, as well as distinguish the difference and value of PTA from other parent groups. The brochures—*Why Your School Needs a PTA, Get Involved for Your Child—Join PTA*, and *The PTA Difference*—were also translated into Spanish to assist PTAs in reaching the growing Hispanic community. In addition, the *Building Successful Partnerships* training notebook was translated to help train Spanish-speaking PTA leaders across the country.



To create awareness of National PTA in the Latino community, PTA began **targeting Spanish-language media** outlets. Through Spanish-language PTA news releases and interviews with Hispanic radio stations and newspapers, PTA is establishing itself among Spanish-language media as the authority on children’s issues and parent involvement.



2005 National PTA Contributors

National PTA appreciates donations made at any level. Below is the list of donors in 2005. Thank you one and all for supporting efforts to help all parents, families, and children.

Proud Community Partner

Office Depot

Proud Sponsors

AXA Foundation
Alliant Credit Union
Campbell's Labels for Education
Cartoon Network
Lollytogs
Target

Member Benefits Provider

AIM
Barnesandnoble.com
Global Marketing
S&S Worldwide

Convention Sponsors

Cartoon Network
Center for Cultural Interchange
University of California – San Francisco
Worldwise Education
XBOX

Walk for Healthy Kids

Sponsors

Dasani – Silver Sponsor
Lollytogs – Silver Sponsor
Nickelodeon – Bronze Sponsor
Office Depot – Bronze Sponsor

Kids of Katrina

Fund Donors

Jeanice Aikens
Mrs. Suzanne R. Armstrong
Ballard PTA
Earlene Baptist
Kimberly Barnes-O'Connor
Kay Bell
Bethune, Mary McLeod
Elementary PTA
Krista Betts Van Dyk
Blue Creek PTA
Scott Brody
Barbara Burton

Lisa Busch
James Brian Chiles
Monita Chiu
Lee Ann Clark
Ms. Lolita Collier
Steven Coxhead
Curlw Creek Elementary PTA
Christopher DiStasio
Laura Dobbs
Mr. Christopher Donaldson
Tina Dove

Rosalba Duarte-Vargas
East Middle PTSA
David Erickson
Farragut Middle School PTA
Marilyn Ferdinand
Abderrahmane Ferhat
Heather Frankland
Franklin School PTA
Debra Fritz
Mary E. Frommeyer
Frontier Elementary PTA
Warlene Gary, MA
Glendover Elementary PTA

Nore Hare
Peder Haslestad
Julia Hedelman
Sonia Hicks
Bernita Johnson
Sheri DeBoe Johnson
Tracy L. Johnson
Felicia Jones
David Katz
Landstuhl ES-MS PTSA

Leuzinger Hi PTSA
Therese Linderman
Kecia Maciel
James Martinez
Eric Anthony May
Jacqueline McCarthy
Kathy McFetridge
Sharlene McJimpsey
Cheryl Meagher
Whitney Meagher
Maria Meredith
Lidia M. Mikolajczyk
Mirror Lake PTA
Joseph Montgomery

Judith Myers
Nautilus Middle PTSA
Tom Nguyen
Diane Norcutt
Olsen Park Elementary PTA
Christine Pehar
Derek Phillips
James Piechowski
Megan S. Pollenz
Progress PTA
Michael Roberts
Robinson, Jackie Academy PTSA
Kimberlee Rupert
Salem Elementary PTA
James Salter
Barb Sargent
Ardith Stansell
Linda Sterling
Diane Tremblay
Regina Tucker-Brown
Stephanie Vinson
Jamie Vollmer
Rhonda Wakai
Deborah Walsh
Anna Weselak
Westview Primary
R.P. Whitaker
Linda Whittington
Jeannine Lyons Williams
Lori Williams
Sharon Wisniewski

2005 Annual Fund Donors

Platinum

LaSalle Bank

Gold

Mike Dimich
Jan Harp Domene
Glendover Elementary PTA
Linda Hodge
Betsy Landers
Ginny Markell
Nautilus Middle PTSA
Safe Kids Card
Gayla Stone

Chauncey Veatch, Ph.D.

Silver

Mrs. Suzanne R. Armstrong
Ballard PTA
Wayne R. Bauman
Blue Creek PTA
Deborah Bostian
Tomi Boylstein
Sherry M. Brown
Michael W. Cathey
Mr. Abderrahmane Ferhat
Frontier Elementary PTA
Mary Beth Gormley
Landstuhl ES-MS PTSA
Olsen Park Elementary PTA
Robinson, Jackie Academy PTSA
Sharon P. Robinson
Charles Saylor
Jamie Vollmer
Deborah Walsh
Anna Weselak
Lois Jean White

Bronze

Suellen Appellof
Gina Armour
Kimberly Barnes-O'Connor
Gayla L. Boomer
Katy S. Campbell
Casa Linda Elementary PTA
Pamela Cohen
Curlw Creek Elementary PTA
Deborah Jo Durr
Farragut Middle School PTA
Franklin School PTA
Kathy Handler
Sally Harris
Debbie Harvey
Robin Humphries
Illinois Education Association
Cheryl Joslyn
Mrs. Barbara B. Kenny
Kathleen Keough
Frank Kwan
Vicki Loise
Catherine D. Lorio
Mrs. Laurie R. Lucas

Mid Valley Elementary PTA
Mirror Lake PTA
Joseph Montgomery
Ramona W. Morrow
Kimberly M. Norton
Prince George's Cnl PTA
Carol S. Ritter
Stevens PTA
John Stokes
Anne Thompson
Jody Townsend
Mark Townsend
Faith J. Waligora
Lynn Warner
Jan Warnick
Washington Elementary PTA
Sharon N. Weigh
Westview Primary
Mrs. Mary E. White
Teresa Williams
Tina Zubeck

Copper

Dave Adlfinger
Ms. Jane Affonso
Chris Akin
Akolea Heavy Equipment
Welding
Caroline Allen
Priscilla Andre-Colton
Christy Aragon
Arrowhead Primary PTA
Assn. of Fund-Raising Dist. & Suppliers
Wendy E. Auten
Barbara Bailey
Cyndi Barbian
Ms. Donna Barletta
Maryann Barnes
Tom Barnes
Mr. Ronald G. Barry
Mrs. Ann W. Basore
Pattie L. Bayless
Bayview PTA
Priscilla Beaulieu
Kay Bell
Sandy D. Bell
Susan M. Bellows

Catherine A. Belter	Anne Caywood	Kathryn Dunn	Diane Gubatayao	Mary C. Kenfield
Lois G. Benjamin	Mrs. Billie Chambers	Deborah M. Dunstone	Claire M Haines	Mrs. Joe Kennedy
Margarita A. Benjamin	Shazia Chaudhry	Dutrow Elementary PTA	Haldane Central PTA	Mrs. Trudy Kennedy
Carol Bergenstal	Maryjane Cipic	East Middle PTSA	Holly Hall	Bob Kerner
Linda Bergquist	Rory Claire	Cheryl Eastburn	Mrs. Linda Hamilton	Kim Kerschen
Berkley School District	Ms. Adrienne Clark	Eastern Technical High PTSA	Christa Hansen	Mrs. Carol A. Keyes
Susan Berkow	Lee Ann Clark	Ebeling PTA	Marie S. Harbison	Dee Keywood
Mary McLeod Bethune	Shelly Clinkenbeard	Sue Eby	Mary Hardy	Mrs. Lisa Kipp
Elementary PTA	Christina Cohea	Ed French Painting, Inc.	Kristi Hargrove	Suzanne Klein
Krista Betts Van Dyk	Jeannie Cole	Anne Ehrlich	Julien Harley	Mavis B. Knight
Barbara J. Blanchard	Collins Hill High PTSA	Einstein PTA	Carneisha Harris	Rae Ann Kobylinski
Mrs. Alicia Blanco	Colorado PTA	Elkhorn Ranch	Dr. John W. Harris	Mr. Joseph Koch
Gail Blanton	Becky Congdon	Phillip Enke	Denise T. Hasegawa	Maryann B. Kolbeck
Patricia A. Block, MD	Mrs. Joyce Conner	David Erickson	Mrs. Barbara M. Hasek	Latha Krishnaiyer
Margaret Blount	Judi Conrad	Mrs. Doris Eugene	Darlene Hathaway	Vicki Krueger
Barbara Boas	Mrs. Faith M. Conroy	Falls Lenox Elementary PTA	John D. "Bud" Hawk	Karen Kurimcak
Barb Bode	Susan Contino	Lisa Fenner	Julia Hedelman	Monica Lamberty
Mary W. Boger	Gelia Cook	Marilyn Ferdinand	Mrs. Mary E. Hein	Pat Lancaster
Garla Boland	Julie Cook	Louann E. Finkell	Herbert Hoover PTA	Mary Jo LaPointe
Lisa C. Bond	Landa Cook	Sebrena Flagg-Briggs	Efren Heredia	Mr. Gerald P. Lawlor
Mrs. Jacqueline Bone	Jeffery Corbett	Lowell K. Flickinger	Mrs. Dawn Herrera	John Lawrence
Grace A. Boris	Ernie Cortes	Dr. Dudley E. Flood	Tammy Herzog Roberts	Jo Ellen Lee
Karen Borriello	Nancy Y. Cox	Dianne Florence	Christopher Hodge	Roxie Leigh
Mrs. Sally A. Boske	Rollie Cox	Timothy J. Franzen	Robert D. Hodge	Ms. Linda Leon
Edith Bratt	Steven Coxhead	Patty Frazier	Lynn Huizing	Leuzinger High PTSA
Cynthia Bratz	Mrs. Frederick Cramer	Lew Frederick	Sue Hull	Carole Levine
Paula Brazell	Rita Creighton	Freedom Middle School PTA	Michelle E. Humphreys	Glenn B. Levine
Lois Breedlove	Jean Crockett	Kathleen E. French	Jacob Gunther PTA	Suzanne Lewandowski
Amy Brewer	Crossland Sr. High PTA	Debra Fritz	Lutfi Jadallah	Lewis, Roland Elementary PTA
Teresa Broadhead	Dr. Ja'ne' W. Crouse	Mary E. Frommeyer	Joan Jakubowski	Ruth C. Lewis
Mary Broderick	Mr. and Mrs. Dean and Jacquelyn	Judith Fryer	Salome Jansson	Jenifer Lind
Scott Brody	Daily	Suzanne Gadow	Mr. Ernest Jeffery	Arthur Linder
Brooker Elementary PTA	Brenda J. Davis	Kathy Gandolfo	Agnes Y. Johnson	Therese Linderman
Dr. Robert S. Brown	Peggy Davis	Mrs. Agnes F. Garwacki	Debbi Johnson	Linthicum Heights Elementary
Cally Browning	Traci L. Davis	Warlene Gary, MA	Leigh Ann Johnson	School PTA
Kathy Brunick	Susan Dayton	Susan Gatton	Lisa E. Johnson	Mrs. Peggy Lo Cicero
Barbara Bungard	Lois Dent	Dr. Eileen Gentilcore	Lori Johnson	Al Loewy
LaTonya Burrage	Ann Desmond	Linda Gerding	Lynette Johnson	Jan Long
Karen Burich	Mary De Young-Smith	Susan L. Gerst	Ms. Moretha Johnson	Terry Longo
Mrs. Jannie Busby	Brenda Diehl	Mrs. Nancy Gersten	Tracy L. Johnson	Russell G. Luke
Lisa Busch	Eileen K. Disk	Mary Lou M. Gillis	Dawn Johnson-Wenger	Arthur Lurie
Meg Bushnell	Christopher DiStasio	Sue R. Glasco	Marilyn J. Jones	Janet Lynch
Lorraine Butler	Debra Dixon	Nadja Golding	Andi Jordan	Shiree Lynch
Katherine Camire	Dee Dmuchowski	Mimi Goodman	David Katz	Ms. Connie Lyon
Mrs. J. R. Campbell	Laura Dobbs	Goshen Elementary PTA	Julie Kays	Michael S. MacDermant
Mr. Harry A. Capers, Jr.	Mr. Christopher Donaldson	Christine E. Graffeo	Tacey Kearin	Kecia Maciel
Carnegie Elementary PTA	Donna Dreis	Mrs. Charlain Greene	Katie Keene	Mrs. Maria Ester Maharbiz
Maria Ivelisse Castro	Mrs. Carol P. Duggan	Laurie Grimes	Mary Kemberling	Susan Maldonado

2005 National PTA Contributors

National PTA appreciates donations made at any level. Below is the list of donors in 2005. Thank you one and all for supporting efforts to help all parents, families, and children.

Mrs. Linda J. Malingo	JoAnn Neilson	Margie R. Rayburn	Mr. Joseph W. Showalter	Barbara Warady
Mrs. Doris Malmberg-Long	Kathy Nevans	Patricia Raynor	Byron and Susan Shutz	Kathleen H Warner
Mrs. Phyllis Marquardt	Sharon Newman	Anne Reedy	Freyda Siegel	Ruthann Wasil
Benjamin Massenburg	Newton Elementary PTA	Shelley Reesman	Mrs. Carol Sizemore	Margaret Waters
April Mastroluca	Mrs. Wilma A. Nichols	Carla Reeves	Shannon Skeffington	Kimber Watson
Mr. Glynn Mathis	Julie Nih	Vicky Reinke	Latasha Smith	Angela Webb
Deborah Matson	Mrs. Diana Nitchman	Mr. Robert Reschly, Jr.	Dr. Ronald Smith	West Jefferson Middle PTSA
Mrs. Susan F. Mau	Ann Marie Niziolek	Mr. Gerard Reynolds	Renee Smithers	Westlake Middle School PTA
Marcie Maxwell	Betty Ochsner	Jennifer Richards	Carmen Snow	Joan C. Westover
Mrs. A. D. Mayfield	Mr. & Mrs. John L. Odom	Sherry Riley	Jane Sonenshein	R.P. Whitaker
Jonny Mays	Ms. Marjorie M. Okasako	River Grove PTA	Carrie Sorensen	Clarie Y. White
Mrs. Laura Mazza	Rebecca Olson	Riviera Beach Elementary PTA	South Hialeah Elementary PTA	Linda Whittington
Jackie McCarthy	Onomatopoeia, Inc.	Mrs. Juliette Roake	Lucy Spurgeon	Wiley Canyon Elementary PTA
Howard McCullough	Mrs. Dorothy M. Orton	Michael Roberts	Debbie Squires	Mrs. Lyn R. Wilhoite
Kathy McFetridge	Donna Oser	Helane Robson	Ardith Stansell	Mrs. Cynthia Wilkerson
Mr. Frank J. McIntosh	Overland Trail Elementary PTA	Mary Judy Rodriguez	Jessica Starr	Mary Williams
Ms. Janice M. McKeever	Sue Owen	Catherine M. Romano	Linda Sterling	Mr. and Mrs. Stanley Williams
Colleen McLaughlin	William Page	Roosevelt School PTA	Sherie Stiles	Sarah Williamson
Mrs. Judy McMillen	David Pansch	Maggie Rose	Amy Stone Murai	Ann Willis
Sutton Meagher	Ms. Angie Papadakis	Rosendale PTA	Joanne Strong	Boo Willner
MaryAnn Memmer	Marilyn Parker	Linda Ross	Debbi Stutz	Allison Wislocki
Rick Mendiondo	Michael Parker	Vickie Rush	DJ Stutz	Sharon Wisniewski
Bruce Meserve	Mrs. Linda Parks	Mrs. Mary Elaine Rutter	Kathy Sullivan	Mrs. Renata L. Witte
Pam Meyercord	Deana Parsons	Nancy Ryan	Mrs. Dixie Surratt	Mrs. Cynthia Wolfson
Microsoft Matching Gifts Program	Katherine M. Patenaude	Salem Elementary PTA	Mrs. Debra Anne Swinton	Mark M. Wolkow
Lidia M. Mikolajczyk	Brenda D. Patteson	James Salter	Jill C. Tanabe	Caryn Woodward
Elise F. Miller	Ms. Paula Pawlowski	Anna Marie San Roman	Janet Tanner	Carole L. Wozney
Myron E. Miller	Celeste A. Pedziwiatr	Barb Sargent	Stanley K. Taylor	Melina Wright
Dr. Ronald G. Miller	Christine Pehar	Leslie Sargent	Krista Tenney	Colleen You
Millman Inc.	Julie Petrecca	Mrs. Vivian Sauter	Thomas Sales Company	Mr. Harvey Young
Marsha Minassian	Gerry Pfaehler	Dianne Sawl	Mrs. William Tiefenwerth	Michael Younker
Terrie Minnick	Mrs. Robert Pfaehler	Mrs. Debbie Scanlon	Richard Tillotson	Konrad Ziesing
Mary G. Minnis	Kate Pfaendtner	Sheryl Scheafer	Pat Tomac	
Dean Mizumura	Pine Bush Elementary PTA	Mrs. Donald Schmidt	Ms. Avis Tone	2005 Endowment Fund
Mrs. Deborah D. Moak	Isabel Placek	Rachel Schripsema	Christie Toye	Contributors
Debbie M. Morgan	Paula Plant	Mrs. Faye Schwartz	Trish Traycheff	Richardson ISD Cnl PTA
Lynn J. Morris	Chrystin Pleasants	Mr. Ray Donald Scott	Diane Tremblay	Deborah Adams-Gonzales
Paula Morson-Silver	Cathy Post	Patty Scriptor	Michelle Tremont	Jeanice Aikens
Mary Mounteer	Mrs. Mary L. Presas	Season's of St. Thomas	Nancy Uelmen	Ms. Dian Anderson
Judith Mountjoy	Progress PTA	Mrs. Catherine Seibel	Dr. Paul C. Vance	Anne Arundel Cnty Cnl PTA
Dr. Van D. Mueller	Michele Prokott	Linda Serros	Shirley Vandermeer	Anti-Defamation League
Robin W. Munier	Carol Pyke	Elizabeth Shea	Linda Vanek	Donald Austin
Dr. Ruby S. Murchison	Ms. Shawna M. Quigley	Shelton Cnl PTA	Kathleen Vaughan Ware	Priscilla Beaulieu
Catherine Naabe	Barbara J. Quinn	Mr. David A. Shepard	Gail Vertz	Lois G. Benjamin
Carol Nafus	R. M. Ellis Elementary PTA	Amy Sherman	Lynn Vita	Susan Berkow
Mrs. Janice Naylor	Justin Raber	Beverly Sherman	Carol Wagner	Shirley C. Block-Paul
Beth Nead	Ms. Carol Rahim	Karen Shinevar	Rhonda Wakai	Deborah Bostian
Mary Jo Neil	Ramstein Elementary PTA	Lynn Shipe	D.J. & Susan Walton	

Mrs. Cheryl Boucher
Mrs. Jane S. Boyer
Lois Breedlove
Karin T. Brown
Sherry M. Brown
Stephan Bryant
Barbara Bungard
Bruce Butz
Diane Bynum
Mike Caban
Jodi Campbell
Katy S. Campbell
Michael W. Cathey
Maryjane Cipcic
Judi Conrad
Kathleen T. Corzine
Nancy Y. Cox
Jean Crockett
Brenda J. Davis
Peggy Davis
Traci L. Davis
Brenda Diehl
Mike Dimich
Michele Sheppard
District 37 "IL"
Laura Dobbs
Jan Harp Domene
Cheryl Eastburn
Vicki S. Ensor
Carla Fahey
Chrissy Faulstich
Mr. Richard Finnie
Alina Garcia
Sylvia Gardner
Ann Gilbert
Shirley Gold
Mary Beth Gormley
Dawn Hager
Holly Hall
Mary Ann Hammock
Linda Hanson
Mrs. Melissa M. Hardin
Sally Harris
Paulette Hennum
Mrs. Dawn Herrera
Helen Hoffman
April Jean Holdren
Jean M. Hovey

Joan K. Huff
Sue Hull
Shirley Igo
Illinois PTA
Janice Jackson
Marilyn J. Jones
Joppa View Elem PTA
Laura Kaiser
Julie Kays
Ms. Letetia Kemp-Jarrett
Mary C. Kenfield
Dee Keywood
Mrs. Sandra W. Kibby
Mavis B. Knight
Mrs. Sharon Kuntz
Nancy E. Lambert-Brown
Lynn LaMore
Betsy Landers
Joan A. Leach
Penny Leask
Legislation Committee
Jan Long
Janice Loudon
Jenny Lowell
Cecelia Mansfield
Ginny Markell
Mrs. Valerie K. Martin
Kathy M. McElroy
Kathy McFetridge
McGraw-Hill Companies
Rhonda McNeil
Linda A. Mehta
Michele Menapace
Laurel A. Mikovits
Elise F. Miller
Kirsten Morgan
Lynn Morris
Ramona W. Morrow
Jennifer M. Motz
Carol Nafus
JoAnn Neilson
Carla Nino
Alyce Nooner
Cynthia Olivier
Esther G. Parker
Katherine M. Patenaude
Kathy Patty
Gloria Payne

Evelyn M. Pelletier
Julie Petrecca
Paula Plant
Judith Porth
Jenny L. Raber
Justin Raber
Lucy A. Ranus
Margie R. Rayburn
Deborah T. Ritchie
Carol S. Ritter
Mrs. Venezuela V.T. Robinson
Helene Robson
Mary Anne Roll
Ms. Carol Ruley
Vickie Rush
Janis Russo
Cathy Ann Saliani
Anna Marie San Roman
Cory Sanfilippo
Rita Santoyo
Esther Sarachene
Janice M. Sawyer
Charles Saylor
Annice Schear
Patricia Scriptor
Sections Fence Company
Janet Sedhom
William S. Sellar
Diana J. Showman
Lucy Spurgeon
Susan Stalewski
Ardith Stansell
Roxanne R. Starks
Amanda Stayberg
Laura Stewart
Christopher Strong
Stanley K. Taylor
Anne Thompson
Kristine M. Thompson
Mrs. William Tiefenwerth
United Methodist Church
Gail Vertz
Deborah Walsh
Lynn Warner
Tomi Waters Boylstein
Sharon N. Weigh
Anna Weselak
Linda Whittington

Teresa Williams
Sherryann A. Wiltshire
Kim Winterhof
Wisconsin PTA
Mrs. Renata L. Witte
Mark M. Wolkow
Sandra Zarembinski

In Honor of:

Brinley May Bryan
Lilla Jean Calhoun-Brooks
Mary Jo Clark
Traci Davis
Laura Dobbs
Joan Dykstra
First District PTA, California
Jan Harp Domene
Linda Hodge
Shirley Igo
Kathy Ireland
David Jacobs
Julie Kays
Carole Levine
Ginny Markell
Steven McCord
Ramona Morrow
Judith Mountjoy
Ena Parker
Old Sacramento Schoolhouse
Marjorie Rawls Roberts
Ilana T. Schear
Michael Stalewski
Phil Stalewski
Tony Stalewski
Ardith Stansell
Sigrid Steward
Karen Strick
Emily Vesia
Tomi Waters Boylstein
Anna Weselak
Lois Jean White

In Memory of:

Jerry Anderson
Sharon Bartholomew
Judi Caban
Mr. and Mrs. Salvatore Chimenti
Doris L. Eggers

Helen Fox
Carmen Gomez
Fern Gordon
Barbara Hasek
Chick Henthorn
Velma Johns
Charles A. Kaufman
V.C. Kays
Dr. Walt Kealey
Paul Lightsey
Barbara Lipton
Eric Maguire
Michael Maguire, Jr.
Dorothy Markell
Robert Mason
William Matthews
Daniel Ortiz
George H. Peterson
Roger Allen Poe
Albert Regel
Debra G. Russell
Lula A. Sanford
Dr. Herb Sloan
Dr. Andra Spurgeon
Marilyn Thomas
Margaret and James Thornburg
Edith Truax

Financial Statements

Report of Independent Auditors

To the Board of Directors of National Congress of Parents and Teachers

We have audited the accompanying combined statement of financial position of National Congress of Parents and Teachers and its affiliate (collectively National PTA) as of December 31, 2005 and the related combined statements of activities and of cash flows for the year then ended. These combined financial statements are the responsibility of the National PTA's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of National Congress of Parents and Teachers and affiliates as of December 31, 2005 and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Legacy Professionals, LLP
February 17, 2006

National Congress of Parents and Teachers Combined Statement of Financial Position December 31, 2005

Assets

Current assets	
Cash and cash equivalents	\$1,868,832
Accounts receivable	
Membership dues	992,836
Grants, contracts and other	598,327
Prepaid expenses	434,541
Total current assets	<u>3,894,536</u>
Investments	15,315,944
Property and equipment - net	1,169,480
Total assets	<u><u>\$20,379,960</u></u>

Liabilities and Net Assets

Current liabilities	
Accounts payable and accrued expenses	\$1,175,376
Lease abandonment	339,456
Deferred revenue	34,002
Total current liabilities	<u>1,548,834</u>
Deferred lease credit	324,126
Total liabilities	<u>1,872,960</u>
Net assets	
Unrestricted	15,013,668
Temporarily restricted	1,564,396
Permanently restricted	1,928,936
Total net assets	<u>18,507,000</u>
Total liabilities and net assets	<u><u>\$20,379,960</u></u>

See accompanying notes to financial statements.

**National Congress of Parents and Teachers
Combined Statement of Activities
Year Ended December 31, 2005**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue				
Membership fees	\$9,706,478	\$ —	\$ —	\$9,706,478
Convention fees	399,827	—	—	399,827
Subscriptions	202,693	—	—	202,693
Publications	19,682	—	—	19,682
Boutique sales	8,252	—	—	8,252
Royalties	22,529	—	—	22,529
Contributions and sponsorships	1,236,875	375,000	62,785	1,674,660
Grants	21,540	205,000	—	226,540
Leadership conferences	19,260	—	—	19,260
Parent Involvement Certification Program	9,050	—	—	9,050
Net unrealized and realized gain on investments	356,957	—	—	356,957
Interest and dividends	375,129	15,599	—	390,728
Miscellaneous	3,578	—	—	3,578
Advertising income	107,059	—	—	107,059
Member benefits	101,193	—	—	101,193
Net assets released from restrictions				
Satisfaction of program restrictions	(505,071)	(505,071)	—	—
Total revenue	12,085,031	1,100,670	62,785	13,248,486
Expenses				
Program services				
Communications	2,535,078	—	—	2,535,078
Programs	1,697,990	—	—	1,697,990
Field Service/Training/Membership	2,296,578	—	—	2,296,578
Advocacy	888,917	—	—	888,917
Convention	850,925	—	—	850,925
Officers/Meetings	635,405	—	—	635,405
Total program services	8,904,893	—	—	8,904,893
Supporting services				
General and administrative	2,471,818	—	—	2,471,818
Development	516,339	—	—	516,339
Advertising expenses	119,256	—	—	119,256
Total supporting services	3,107,413	—	—	3,107,413
Total expenses	12,012,306	—	—	12,012,306
Change in net assets	72,725	1,100,670	62,785	1,236,180
Net assets				
Beginning of year	14,940,943	463,726	1,866,151	17,270,820
End of year	\$15,013,668	\$1,564,396	\$1,928,936	\$18,507,000

See accompanying notes to financial statements.

**National Congress of Parents and Teachers
Combined Statement of Cash Flows
Year Ended December 31, 2005**

Cash flows from operating activities	
Change in net assets	\$1,236,180
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation	137,003
Realized and unrealized (gain) on investments	(356,957)
Changes in assets and liabilities affecting operations	
Decrease in membership dues receivable	67,591
(Increase) in grants, contracts and other receivables	(362,966)
(Increase) in prepaid expenses	(49,860)
(Decrease) in accounts payable and accrued expenses	103,075
(Decrease) in deferred revenue	(69,199)
(Decrease) in lease abandonment	(364,644)
Increase in deferred rent credit	265,854
Net cash provided by operating activities	<u>399,927</u>
Cash flows from investing activities	
Purchase of property and equipment	(522,251)
Purchase of investments	(15,858,303)
Proceeds on sale and redemption of investments	13,456,132
Net cash (used in) investing activities	<u>(2,924,495)</u>
Cash flows from financing activities	
Line of credit repaid	<u>(1,300,000)</u>
Net decrease	(2,524,495)
Cash	
Beginning of year	4,393,327
End of year	<u>\$1,868,832</u>

See accompanying notes to financial statements.

**National Congress of Parents and Teachers
Notes to Combined Financial Statements
December 31, 2005**

NOTE 1. Description of Organization

Reporting Entity

The reporting entity referred to as National Congress of Parents and Teachers includes the accounts of two organizations, National Congress of Parents and Teachers, and The Endowment Fund of the National Congress of Parents and Teachers (collectively National PTA). Combined financial statements for the two organizations are presented and significant interorganizational transactions and balances have been eliminated.

Nature of Organization

The purpose of the National PTA is to:

- ◆ Promote the welfare of children and youth in the home, school, community and place of worship.
- ◆ Raise the standards of home life.
- ◆ Secure adequate laws for the care and protection of children and youth.

◆ Bring into closer relationship the home and the school that parents and teachers may cooperate intelligently in the education of children and youth.

◆ Develop between educators and the general public such united efforts as will secure for all children and youth the highest advantages in physical, mental, social and spiritual education.

Tax-Exempt Status

National Congress of Parents and Teachers and The Endowment Fund for The National Congress of Parents and Teachers have previously received notices from the Internal Revenue Service of exemption from income tax under Section 501(c)(3) of the Internal Revenue Code, and have been classified as organizations which are not private foundations under Section 509(a) and which qualify for charitable contribution deductions by individual donors, as stated in Section 170. The National Congress of Parents and Teachers does engage in activities such as selling advertising in periodicals that are considered unrelated to its tax-exempt purpose. However, no provision for income tax is deemed necessary. No tax payments were made in 2005. Accordingly, the accompanying combined financial statements contain no provision for income taxes.

NOTE 1. Description of Organization (continued)

Programs

Communications

Develops and delivers a consistent National PTA image and message in all print and electronic communications to promote and position the organization as the nation's leader in parent and family involvement issues.

Programs

Develops and implements effective and informative programs devoted to the priorities of the organization as outlined in the strategic plan.

Field Service/Training/Membership

Provides vital information and training to assist National PTA leaders and potential leaders in developing organizational and leadership skills and knowledge needed to be successful in the National PTA and in their communities. Provides information and training to support membership retention and growth in the traditional setting as well as a variety of other membership services.

Advocacy

Advocate for policies that benefit children and families via dissemination of information, participation in programs, training and monitoring legislation.

Convention

Facilitates the coming together of National PTA leadership and membership at the annual meeting and convention.

Officers/Meetings

Facilitates the gatherings of National PTA leadership including all board and committee meetings in support of the business, work and mission of the organization.

NOTE 2. Summary of Significant Accounting Policies

Net Assets

The National PTA reports information regarding its financial position and activities according to three classes of net assets as follows:

- ◆ Unrestricted net assets, which include the portion of net assets of the National PTA that are neither temporarily restricted nor permanently restricted by donor-imposed stipulations.
- ◆ Temporarily restricted net assets include the portion of net assets of the National PTA resulting from: contributions and other inflows of assets, the National PTA's use of which is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the National PTA pursuant to those stipulations. Temporarily restricted net assets at December 31, 2005 consist of amounts relating to Programs' purpose restrictions for reflection - arts and education, after school initiative and HIV Aids awareness.
- ◆ Permanently restricted net assets include the portion of net assets of the National PTA resulting from: contributions and other inflows of assets, the use of which by the National PTA is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the National PTA. Permanently restricted net assets at December 31, 2005 con-

sist of assets that are restricted in perpetuity, the income of which is expendable for program use.

Cash and Cash Equivalents

The National PTA considers all highly liquid investments with an initial maturity of three months or less at the date of acquisition to be cash equivalents, excluding such investments in money managed accounts, for the purposes of the combined statement of cash flows.

Concentration of Credit Risk

Financial instruments that potentially subject the National PTA to concentrations of credit risk consist principally of short-term and long-term investments, demand deposit accounts, short-term cash investments and member receivables. The National PTA places its funds with high quality financial institutions. The balances are insured up to \$100,000 per institution by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2005, the National PTA's balances in excess of FDIC insurance coverage totaled approximately \$1,550,000.

Concentrations of credit risk with respect to member dues are limited due to the large number of contributors comprising National PTA's contributor base and its dispersion across different geographic areas located primarily in the United States.

Property and Equipment

Purchased property and equipment are stated at cost. The National PTA capitalizes all capital expenditures in excess of \$500. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the National PTA reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The National PTA reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities as net assets released from restrictions.

Donated Assets

Significant donated marketable securities and other noncash assets are recorded as contributions at their estimated fair values at the date of donation.

Membership Fees

Membership fees allocated for subscriptions to the periodical *Our Children* are \$177,383 for the period ended December 31, 2005.

NOTE 2. Summary of Significant Accounting Policies (continued)

Deferred Revenue

Income from convention exhibit fees and subscription fees is deferred and recognized over the periods to which the fees relate.

Investment Expenses

Expenses relating to investment revenues, including custodial fees and investment advisory fees, were \$39,940 for the year ended December 31, 2005 and are netted against unrealized and realized gain on investments in the combined statement of activities.

Advertising Costs

In December 2002, National PTA partnered with the Ad Council to create a three-year national public service campaign about parent involvement for 2003 - 2005. The Ad Council, a nonprofit organization, is the leading resource of public service advertising (PSA) in the United States. Over the next three years, the campaign will provide tremendous public awareness for the National PTA and the importance of parent involvement. These PSAs will reach audiences well beyond what National PTA could typically afford on its own. Costs are expensed as incurred.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the combined statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

NOTE 3. Investments

Investments are carried at fair value which generally represents reported market value as of the last business day of the fiscal year. Cash investments are carried at cost which approximates fair value. Mutual funds are carried at fair value as estimated by the investment manager. The following summary presents fair value for each of the investment categories:

Cash investments	\$519,233
Stocks	5,252,653
Mutual funds	6,656,409
Bonds and Government securities	<u>2,887,649</u>
Total	<u>\$15,315,944</u>

NOTE 4. Property and Equipment

Property and equipment are summarized by major classifications as follows at December 31, 2005:

		Estimated Useful Life
Buildings	\$616,738	30 years
Furniture and equipment	429,673	5-7 years
Computer equipment	<u>877,479</u>	3 years
	1,923,890	
Less accumulated depreciation	<u>(754,410)</u>	
Total	<u>\$1,169,480</u>	

Depreciation expense for the year ended December 31, 2005 was \$137,003. Depreciation is computed over the estimated useful lives of the related assets by the straight-line method.

NOTE 5. Commitments

Commitments consist primarily of various lease agreements for office space and equipment. Future minimum rental payments required for noncancellable operating leases having terms in excess of one year are as follows:

Year ending December 31,	
2006	\$889,399
2007	337,715
2008	345,230
2009	347,329
2010	327,210
Remainder	<u>1,823,304</u>
Total	<u>\$15,315,944</u>

Rent expense is recognized using the straight-line method over the life of the lease and consequently, the accompanying combined statement of financial position reflects a noncurrent liability for deferred lease incentives of \$324,126 at December 31, 2005 representing lease expense recognized but not yet paid. Rent expense for the year ended December 31, 2005 was \$368,621.

In 2004, the National PTA abandoned a noncancelable lease which expires November 30, 2006 in order to take advantage of a lower priced lease for office space. In accordance with Statement of Financial Accounting Standards No. 146, Accounting for Costs Associated with Exit or Disposal Activities, the National PTA accrued the amount of all future operating lease payments (net of subleasing receipts) of \$704,099. The balance as of December 31, 2005 was \$339,456.

NOTE 6. Retirement Plan

The National PTA maintains a noncontributory defined benefit retirement plan which covers all qualified employees. Benefits are primarily based upon eligible years of service and final levels of employee compensation. The plan is accounted for under Statement of Financial Accounting Standards (SFAS) No. 132, Employers' Disclosures about Pensions and other Postretirement Benefits.

The following sets forth the funded status of the plan and amounts recognized in the combined statement of financial position at December 31, 2005:

Benefit obligation	\$2,427,906
Plan assets as fair value	<u>2,030,583</u>
Total	<u>\$(397,323)</u>
Prepaid benefit cost included in prepaid expenses	\$280,620
Benefit cost	206,426
Employer contribution	264,350
Benefits paid	180,302
Accumulated benefit obligation	\$1,950,703

The projected benefit obligation was determined using an assumed discount rate of 6.25% and an assumed rate of compensation increases of 5.0%.

The expected long-term rate of return on plan assets of 7.0% for fiscal year ended December 31, 2005 reflects the average rate of earnings as of January 1, 2005 expected on the funds invested to provide for the benefits included in the projected benefit obligations. Factors used in determining that rate include historic returns on plan assets and current market information on long-term returns.

The basic objective for the investment management of the plan assets is growth primarily and income secondary. The target allocation for the equity portion of the portfolio is between 40% and 60% of the total portfolio. The target allocation for the fixed income portion of the portfolio is between 40% and 60% of the total portfolio. Plan asset allocations are reviewed periodically and rebalanced to achieve target allocation among the asset categories when necessary. The asset categories at December 31, 2005 is as follows:

Equities	60.7%
Fixed income	36.0
Cash and cash equivalents	<u>3.3</u>
Total	<u>100.0%</u>

A plan amendment was adopted on August 2, 2005 which offered special unreduced early retirement benefit to certain participants.

The amount expected to be contributed in 2006 is \$222,311. The following benefit payments are expected to be paid during fiscal years beginning January 1:

2006	\$30,004
2007	29,532
2008	219,131
2009	56,682
2010	277,617
2011-2015	\$750,011

NOTE 7. Identity Campaign

National PTA began developing an Identity Campaign in 2000 for launch at the 2001 National Convention. The objectives of the campaign are as follows:

- ◆ National PTA will be recognized as the authority on parent/family involvement,
- ◆ Clarify and increase understanding among key stakeholders and the general public of what the National PTA is and what it is not and
- ◆ Promote the issues identified as National PTA priorities and present this message consistently throughout the organization as a whole.

During the year ended December 31, 2005, the campaign expenses were \$263,984. Costs are expensed as incurred.

NOTE 8. The Endowment Fund of the National Congress of Parents and Teachers

Financial information for The Endowment Fund of The National Congress of Parents and Teachers, which is included in the combined financial statements (Note 1), at December 31, 2005 is as follows:

Statement of Financial Position

Assets:	
Cash and cash equivalents	\$213,196
Accounts receivables - other	1,890
Investments	<u>3,529,790</u>
Total assets	<u>3,744,876</u>
Liabilities:	
Due to National Congress of Parents and Teachers	69,626
Net assets:	
Unrestricted	2,244,167
Permanently restricted	<u>1,431,083</u>
Total net assets	<u>3,675,250</u>
Total liabilities and net assets	<u>3,744,876</u>

NOTE 8. The Endowment Fund of the National Congress of Parents and Teachers (continued)

Statement of Activities	Unrestricted	Permanently Restricted	Total
Revenue:			
Contributions:			
Life achievement awards	\$ -	\$ 36,980	\$ 36,980
Other	-	25,805	25,805
Investment revenue	69,585	-	69,585
Net realized and unrealized gain on investments	<u>122,138</u>	<u>-</u>	<u>122,138</u>
Total revenue	191,723	62,785	254,508
Expenses			
General and administrative	<u>69,585</u>	<u>-</u>	<u>69,585</u>
Change in net assets	122,138	62,785	184,923
Net assets:			
Beginning of year	<u>2,122,029</u>	<u>1,368,298</u>	<u>3,490,327</u>
End of year	<u>\$ 2,244,167</u>	<u>\$ 1,431,083</u>	<u>\$ 3,675,250</u>

NOTE 9. Line of Credit

National PTA established a line of credit with LaSalle Bank in September 2002, which was extended until December 31, 2006. The maximum borrowing under the line of credit is \$2,000,000. No borrowings were made against the line of credit in the year ended December 31, 2005.

NOTE 10. Chief Executive Officer

During the year ended December 31, 2003, the National PTA entered into a three year employment contract with the Chief Executive Officer (CEO). The CEO began full-time employment with the National PTA on January 1, 2004.



PTA[®]

everychild.onevoice.[®]

National Headquarters
541 N. Fairbanks Court, Suite 1300
Chicago, IL 60611-3396
(800) 307-4PTA (4782)
www.pta.org