



2018
ANNUAL
REPORT



Learning Can't Wait.

**Last year, we made sure learning didn't wait
for 6,991 children across eight states.**



**But thousands are still waiting to access the opportunity
afforded by an open desk in an ACE partner school.**

At ACE Scholarships, we know generational poverty is more than a buzzword. It's a reality that shapes children's minds, expectations, and dreams.

We also know a quality education can be the key to launching a family out of a vicious cycle of poverty, and into a virtuous cycle of opportunity.

One particularly striking example of the power of education is Michael's family.

As a teenager, Michael was intrigued by the street life. He dropped out of 9th grade and ended up in prison for the first time at age 16, accumulating 13 total years behind bars over the next two decades.

Michael realized he wanted more for his children, and he knew education was the avenue. He was willing to do whatever it took to make sure their futures played out differently than his.

Today, Michael's three daughters are thriving at an ACE partner school, which he refers to as a "refuge" for his family. The safe, academically-challenging, and character-forming learning environment is setting his daughters on a path to success. Impressively, Michael himself is now going back to school. We're humbled and proud to partner with hardworking families like Michael's, who make incredible sacrifices to ensure their children have a chance at success.

Your support ignites a powerful generational impact that ripples in both directions, positively affecting both children and parents. In fact, Michael is not alone; many ACE parents choose to pursue post-secondary credits after their children receive scholarships.

ACE is about leveling the playing field, and we are not going to rest until we have a system in which every child is afforded access to a great school. We're going to keep fighting this great fight. It's too important to stop now.

I cannot thank you enough for your investment in the futures of students, families, and our communities.

Sincerely,
Norton Rainey
President & CEO

Every child deserves access to a quality education.

However, students from low-income families continue to achieve far below their peers, which is unacceptable in a country founded on the basis of equality.



**30
MILLION**

Low-income
students in America



**2 OUT
OF 10**

Proficient in
math or reading

The sooner we begin, the sooner we see remarkable results like these.

ACE walks alongside kids throughout their K-12 educational journey.



**READING AND
MATH PROFICIENCY**

Higher rate of ACE scholars are proficient than low-income peers (approximately 3x)



**90+% HIGH SCHOOL
GRADUATION RATE**

Approximately 20 points higher than low-income students

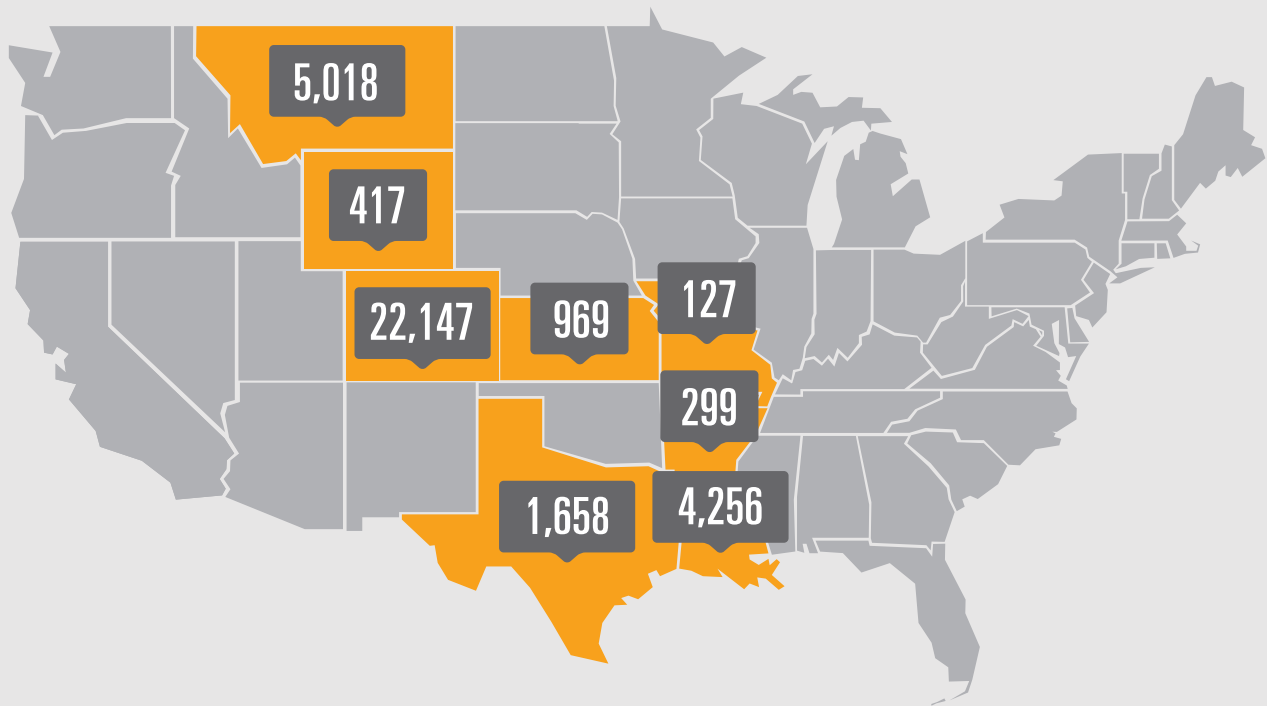



**COLLEGE
GRADUATION RATE**

Almost 2x higher than peers from predominantly low-income schools

No matter where you are, you're part of something bigger.

ACE's reach spans rural and urban communities across eight states.



 Scholarships provided through the 2018-19 school year

Together, we are igniting a powerful ripple effect that will impact generations to come.

Here are some 2018 highlights:

ARKANSAS

- Launched for the 2018-19 school year with 32 private school partnerships and 299 scholarships
- Families expressed gratitude for being able to send children to schools in which they are taught effectively and cared for, where they are safe and secure, and where they are experiencing exponential growth

COLORADO

- Kicked off 2020 Campaign to increase scholars served by 50% (2,000 to 3,000) over three years and received 61 multi-year commitments to enable us to sustainably execute this increase—halfway to our funding goal
- Celebrated a 98% high school graduation rate for the Class of 2018

KANSAS

- Raised over \$1 million for the Tax Credit Scholarship Program
- Increased number of ACE scholarships from 319 to 398 at 55 partner schools
- Received a \$500,000 matching gift opportunity for 2019-20 school year

LOUISIANA

- Raised enough funds to add 500 scholarships this coming fall, to serve 1,750 total students at our 186 partner schools in the 2019-20 school year
- Successfully implemented Louisiana's new tax credit scholarship program (Tuition Donation Credit) in 2018

MISSOURI

- Launched for the 2018-19 school year with 16 private school partnerships and over 120 scholarships
- Expanding to other parts of Missouri beyond Kansas City in the 2019-20 school year

MONTANA

- Celebrated second year in a row of a 100% high school graduation rate
- Surpassed 5,000th scholarship awarded since Montana program's inception in 2012

TEXAS

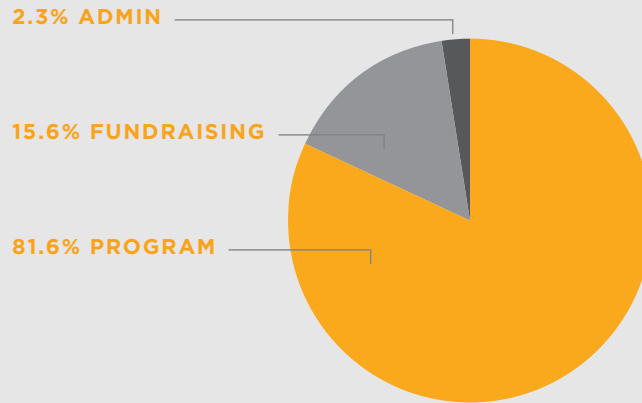
- Currently supporting 363 students and partnered with 63 schools in Dallas/Fort Worth
- More than doubled our scholarship recipients in Houston year over year, for a total of 813 students and 71 partner schools in the 2018-19 school year
- Launched San Antonio for the 2018-19 school year, serving 44 students at 6 partner schools

WYOMING

- 40 additional scholarships and 3 new partner schools for the 2018-19 school year
- Surpassed 400th scholarship awarded since Wyoming program's inception in 2017

The opportunity to effect change continues to be great: approximately 20% of the desks at ACE's partner schools remain open every year. By providing a deserving student access to one of these desks, you are unlocking the promising futures of individual students, entire families, and our society at large.

81+% of our money goes directly to helping kids.



2018 INCOME

\$38,396,024*

*Pre-audit numbers

2018 EXPENSES

\$23,722,026

An IRS ruling impacting the Louisiana Tax Credit Scholarship Program led to a significant increase in contributions in 2018, resulting in an annual surplus that will allow us to support Louisiana scholars in future years.

For the sixth year in a row, Charity Navigator has awarded us their highest honor, 4-Star Rating for Financial Health, Accountability, and Transparency





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