

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

**A For the 2010 calendar year, or tax year beginning** , 2010, and ending , 20

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C Name of organization</b> ALLIANCE FOR CHOICE IN EDUCATION			<b>D Employer identification number</b> 84-1531066	
	Doing Business As			<b>E Telephone number</b> (303) 573-1603	
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1201 EAST COLFAX AVENUE, SUITE 302		<b>G Gross receipts \$</b> 4,346,195.		
	City or town, state or country, and ZIP + 4 DENVER, CO 80218		<b>H(a) Is this a group return for affiliates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b) Are all affiliates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)		
<b>F Name and address of principal officer:</b> NORTON RAINEY 1201 EAST COLFAX AVE., #302 DENVER, CO 80218			<b>H(c) Group exemption number</b> ▶		
<b>I Tax-exempt status:</b> <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
<b>J Website:</b> ▶ WWW.ACESCHOLARSHIPS.ORG					
<b>K Form of organization:</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶				<b>L Year of formation:</b> 2000 <b>M State of legal domicile:</b> CO	

## Part I Summary

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: THE ORGANIZATION'S MISSION IS TO PROVIDE LOW-INCOME FAMILIES WITH THE POWER AND FREEDOM OF GENUINE EDUCATION CHOICE THROUGH PRIVATELY FUNDED K-12 SCHOLARSHIPS, COLLEGE-PREP, AND EDUCATION ADVOCACY.		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	15.
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	15.
	<b>5</b> Total number of individuals employed in calendar year 2010 (Part V, line 2a)	<b>5</b>	0.
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	35.
	<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>		
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	3,118,099.	4,250,321.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.	0.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	16,966.	10,702.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	-43,856.	-70,006.
		3,091,209.	4,191,017.
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,585,634.	2,834,121.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	432,270.	356,983.
	<b>16 a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ 380,513.		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	559,467.	669,516.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	3,577,371.	3,860,620.	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	-486,162.	330,397.	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	<b>21</b> Total liabilities (Part X, line 26)	4,529,882.	4,908,067.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	126,096.	173,884.
	4,403,786.	4,734,183.	

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	▶ Signature of officer	Date			
	▶ Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name CRAIG R. CHOUN	Preparer's signature <i>Craig Choun</i>	Date 11/8/2011	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ▶ EHRHARDT KEEFE STEINER & HOTTMAN PC	EIN ▶ 84-0869721		Phone no. ▶ 303-740-9400	
	Firm's address ▶ 7979 E. TUFTS AVENUE, SUITE 400 DENVER, CO 80237-2843				

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions.

**Part III** Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

**1** Briefly describe the organization's mission:

THE ORGANIZATION'S MISSION IS TO PROVIDE LOW-INCOME FAMILIES WITH THE POWER AND FREEDOM OF GENUINE EDUCATION CHOICE THROUGH PRIVATELY FUNDED K-12 SCHOLARSHIPS, COLLEGE-PREP, AND EDUCATION ADVOCACY.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
If "Yes," describe these changes on Schedule O.

**4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: \_\_\_\_\_) (Expenses \$ 3,279,491. including grants of \$ 2,834,121.) (Revenue \$ \_\_\_\_\_)  
SCHOLARSHIPS WERE GIVEN TO LOW-INCOME STUDENTS NEEDING PRIVATE SCHOOLING FROM KINDERGARTEN THROUGH HIGH SCHOOL. LOW-INCOME IS DEFINED IN ACCORDANCE WITH THE FEDERAL POVERTY GUIDELINES. ADDITIONALLY, ADMINISTRATIVE SERVICES AND SCHOLARSHIPS WERE PROVIDED FOR TWO DONOR-DIRECTED COLLEGE SCHOLARSHIP FUNDS.

**4b** (Code: \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4c** (Code: \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4d** Other program services. (Describe in Schedule O.)  
(Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4e Total program service expenses** ▶ 3,279,491.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 20b regarding organizational requirements and reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Question text, and Yes/No response boxes. Rows include questions 21 through 38 regarding grants, compensation, tax-exempt bonds, and controlled entities.

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V. [ ]

Table with columns for question number, description, and Yes/No checkboxes. Rows include questions 1a-1c, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, and 14a-14b.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Does the organization have members or stockholders?; 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?; 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates?; 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13; 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done; 13 Does the organization have a written whistleblower policy?; 14 Does the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: WENDY BANKS 1201 EAST COLFAX AVENUE, SUITE 302 DENVER, CO 80218 303-573-1603

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII. . . . .

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) TODD CLOUGH DIRECTOR	1.00	X					0.	0.	0.	
(2) ALEX CRANBERG CHAIRMAN	1.00	X		X			0.	0.	0.	
(3) DR. VERNARD GANT DIRECTOR	1.00	X					0.	0.	0.	
(4) SERGIO GUTIERREZ DIRECTOR	1.00	X					0.	0.	0.	
(5) SHARON ALEXANDER HOLT DIRECTOR	1.00	X					0.	0.	0.	
(6) SKIP NETZORG SECRETARY	1.00	X		X			0.	0.	0.	
(7) BISHOP PHILLIP PORTER DIRECTOR	1.00	X					0.	0.	0.	
(8) LUIS VILLARREAL VICE-CHAIRMAN	1.00	X		X			0.	0.	0.	
(9) WAYNE WILLIAMSON DIRECTOR	1.00	X					0.	0.	0.	
(10) VIVIAN WILSON DIRECTOR	1.00	X					0.	0.	0.	
(11) CHARLES JOHNSON DIRECTOR	1.00	X					0.	0.	0.	
(12) RYAN FRAZIER DIRECTOR	1.00	X					0.	0.	0.	
(13) PETE LEAVALL DIRECTOR	1.00	X					0.	0.	0.	
(14) DAVID LIVINGSTON TREASURER	1.00	X		X			0.	0.	0.	
(15) LINDA PEOTTER DIRECTOR	1.00	X					0.	0.	0.	
(16) NORTON RAINEY EXECUTIVE DIRECTOR	40.00			X			153,189.	0.	26,780.	

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) -----										
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
(26) -----										
(27) -----										
(28) -----										
<b>1b Sub-total</b> .....							153,189.	0.	26,780.	
<b>c Total from continuation sheets to Part VII, Section A</b> .....										
<b>d Total (add lines 1b and 1c)</b> .....							153,189.	0.	26,780.	

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **▶** 1

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> .....		X
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> .....	X	
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> .....	X	

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **▶** 0



**Part VIII Statement of Revenue**

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>	902,005.				
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions) . .	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above .	<b>1f</b>	3,348,316.				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$		1,910.				
	<b>h Total.</b> Add lines 1a-1f . . . . .			4,250,321.			
<b>Program Service Revenue</b>	<b>2a</b> _____	<b>Business Code</b>					
	<b>b</b> _____						
	<b>c</b> _____						
	<b>d</b> _____						
	<b>e</b> _____						
	<b>f</b> All other program service revenue . . . . .						
	<b>g Total.</b> Add lines 2a-2f . . . . .			0.			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .	ATTACHMENT 1		15,762.			15,762.
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .			0.			
	<b>5</b> Royalties . . . . .			0.			
		(i) Real	(ii) Personal				
	<b>6a</b> Gross Rents . . . . .						
	<b>b</b> Less: rental expenses . . . . .						
	<b>c</b> Rental income or (loss) . . . . .						
	<b>d</b> Net rental income or (loss) . . . . .			0.			
		(i) Securities	(ii) Other				
	<b>7a</b> Gross amount from sales of assets other than inventory . . . . .	25,483.	1,947.				
	<b>b</b> Less: cost or other basis and sales expenses . . . . .	22,716.	9,774.				
	<b>c</b> Gain or (loss) . . . . .	2,767.	-7,827.				
	<b>d</b> Net gain or (loss) . . . . .			-5,060.			-5,060.
	<b>8a</b> Gross income from fundraising events (not including \$ 902,005. of contributions reported on line 1c). See Part IV, line 18 . . . . .	ATCH 2		52,682.			
	<b>b</b> Less: direct expenses . . . . .			122,688.			
<b>c</b> Net income or (loss) from fundraising events . . . . .	ATCH 3		-70,006.			-70,006.	
<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . .							
<b>b</b> Less: direct expenses . . . . .							
<b>c</b> Net income or (loss) from gaming activities . . . . .			0.				
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .							
<b>b</b> Less: cost of goods sold . . . . .							
<b>c</b> Net income or (loss) from sales of inventory . . . . .			0.				
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
<b>11a</b> _____							
<b>b</b> _____							
<b>c</b> _____							
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . .			0.				
<b>12 Total revenue.</b> See instructions . . . . .			4,191,017.			-59,304.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . . . .	354,000.	354,000.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	2,480,121.	2,480,121.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	0.			
4 Benefits paid to or for members . . . . .	0.			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	0.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0.			
7 Other salaries and wages . . . . .	279,009.	118,442.	60,887.	99,680.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	13,356.	6,459.	3,211.	3,686.
9 Other employee benefits . . . . .	43,117.	18,821.	9,282.	15,014.
10 Payroll taxes . . . . .	21,501.	9,444.	4,657.	7,400.
11 Fees for services (non-employees):				
a Management . . . . .	0.			
b Legal . . . . .	17,172.		17,172.	
c Accounting . . . . .	53,047.		53,047.	
d Lobbying . . . . .	0.			
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees . . . . .	0.			
g Other . . . . .	121,583.	50,726.		70,857.
12 Advertising and promotion . . . . .	10,295.			10,295.
13 Office expenses . . . . .	75,670.	35,024.	18,358.	22,288.
14 Information technology . . . . .	24,925.	13,709.	4,985.	6,231.
15 Royalties . . . . .	0.			
16 Occupancy . . . . .	78,207.	43,009.	15,646.	19,552.
17 Travel . . . . .	10,746.	2,517.	2,524.	5,705.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings . . . . .	4,251.			4,251.
20 Interest . . . . .	0.			
21 Payments to affiliates . . . . .	0.			
22 Depreciation, depletion, and amortization . . . . .	32,780.	18,029.	6,556.	8,195.
23 Insurance . . . . .	2,762.	541.	1,975.	246.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a <u>BAD DEBT EXPENSE</u> -----	122,664.	122,664.		
b <u>MEALS &amp; ENTERTAINMENT</u> -----	46,573.	253.	129.	46,191.
c <u>PRINTING EXPENSES</u> -----	37,998.	3,142.	1,143.	33,713.
d <u>ORGANIZATION EVENTS</u> -----	30,843.	2,590.	1,044.	27,209.
e -----				
f All other expenses -----				
25 <b>Total functional expenses.</b> Add lines 1 through 24f	3,860,620.	3,279,491.	200,616.	380,513.
26 <b>Joint Costs.</b> Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing . . . . .	57,838.	<b>1</b>	75,723.
	<b>2</b> Savings and temporary cash investments . . . . .	3,260,346.	<b>2</b>	3,945,535.
	<b>3</b> Pledges and grants receivable, net . . . . .	947,704.	<b>3</b>	433,344.
	<b>4</b> Accounts receivable, net . . . . .		<b>4</b>	
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .	103,032.	<b>7</b>	0.
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	88,171.	<b>9</b>	402,400.
	<b>10 a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b> 149,153.		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 108,330.		
	<b>11</b> Investments - publicly traded securities . . . . .		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	10,853.	<b>15</b>	10,242.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	4,529,882.	<b>16</b>	4,908,067.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	126,096.	<b>17</b>	173,884.
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities. Complete Part X of Schedule D . . . . .		<b>25</b>	
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	126,096.	<b>26</b>	173,884.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	1,115,918.	<b>27</b>	3,181,756.
	<b>28</b> Temporarily restricted net assets . . . . .	3,287,868.	<b>28</b>	1,552,427.
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	4,403,786.	<b>33</b>	4,734,183.	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	4,529,882.	<b>34</b>	4,908,067.	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12) . . . . .	<b>1</b>	4,191,017.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25) . . . . .	<b>2</b>	3,860,620.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1 . . . . .	<b>3</b>	330,397.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	<b>4</b>	4,403,786.
<b>5</b>	Other changes in net assets or fund balances (explain in Schedule O) . . . . .	<b>5</b>	
<b>6</b>	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)) . . . . .	<b>6</b>	4,734,183.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .		X
<b>b</b>	Were the organization's financial statements audited by an independent accountant? . . . . .	X	
<b>c</b>	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . . If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
<b>d</b>	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
<b>3a</b>	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .		X
<b>b</b>	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

**2010**

**Open to Public Inspection**

<b>Name of the organization</b> ALLIANCE FOR CHOICE IN EDUCATION	<b>Employer identification number</b> 84-1531066
---	---

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I
  - b  Type II
  - c  Type III - Functionally integrated
  - d  Type III - Other

e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? .....		X
(ii) A family member of a person described in (i) above? .....		X
(iii) A 35% controlled entity of a person described in (i) or (ii) above? .....		X

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

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Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities; 13 First five years.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2010 (76.04%); 15 Public support percentage from 2009 Schedule A, Part II, line 14 (74.20%); 16a 33 1/3 % support test - 2010; 16b 33 1/3 % support test - 2009; 17a 10%-facts-and-circumstances test - 2010; 17b 10%-facts-and-circumstances test - 2009; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 13 Total support. (Add lines 9, 10c, 11, and 12.); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 15: Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f)) - 15 - %; Row 16: Public support percentage from 2009 Schedule A, Part III, line 15 - 16 - %

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 17: Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f)) - 17 - %; Row 18: Investment income percentage from 2009 Schedule A, Part III, line 17 - 18 - %

- 19a 33 1/3 % support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization.
b 33 1/3 % support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization.
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

**Part IV Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2006	2007	2008	2009	2010	TOTAL
MISCELLANEOUS INCOME	15,701.	20,116.	0.	0.	0.	35,817.
<b>TOTALS</b>	<u>15,701.</u>	<u>20,116.</u>	<u>0.</u>	<u>0.</u>	<u>0.</u>	<u>35,817.</u>



▶ Attach to Form 990, 990-EZ, or 990-PF.

**2010**

<b>Name of the organization</b> ALLIANCE FOR CHOICE IN EDUCATION	<b>Employer identification number</b> 84-1531066
---	---

**Organization type** (check one):

**Filers of:**

**Section:**

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . . . ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization ALLIANCE FOR CHOICE IN EDUCATION

Employer identification number

84-1531066

**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 141,909.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ 250,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ 156,732.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4		\$ 150,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5		\$ 322,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6		\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization ALLIANCE FOR CHOICE IN EDUCATION

Employer identification number

84-1531066

**Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	----- ----- -----	\$ 186,417.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	----- ----- -----	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	----- ----- -----	\$ 125,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	----- ----- -----	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	----- ----- -----	\$ 110,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Attach to Form 990. See separate instructions.

Name of the organization

ALLIANCE FOR CHOICE IN EDUCATION

Employer identification number

84-1531066

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors... Yes No, 6 Did the organization inform all grantees...

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution... 2a Total number of conservation easements, 2b Total acreage restricted by conservation easements, 2c Number of conservation easements on a certified historic structure included in (a), 2d Number of conservation easements included in (c) acquired after 8/17/06... 3 Number of conservation easements modified, transferred, released, extinguished, or terminated... 4 Number of states where property subject to conservation easement is located... 5 Does the organization have a written policy regarding the periodic monitoring... Yes No, 6 Staff and volunteer hours devoted to monitoring... 7 Amount of expenses incurred in monitoring... \$, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B) (i) and 170(h)(4)(B)(ii)? Yes No, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: \$, \$. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition... 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition... (i) Revenues included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenues included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X

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Schedule D (Form 990) 2010

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PAGE 21

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets**(continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . . .  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . .  Yes  No

b If "Yes," explain the arrangement in Part XI V and complete the following table:

	Amount
c Beginning balance . . . . .	<b>1c</b>
d Additions during the year . . . . .	<b>1d</b>
e Distributions during the year . . . . .	<b>1e</b>
f Ending balance . . . . .	<b>1f</b>

2a Did the organization include an amount on Form 990, Part X, line 21? . . . . .  Yes  No

b If "Yes," explain the arrangement in Part XI V.

**Part V Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance . . . . .					
b Contributions . . . . .					
c Net investment earnings, gains, and losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment  \_\_\_\_\_ %
- b Permanent endowment  \_\_\_\_\_ %
- c Term endowment  \_\_\_\_\_ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations . . . . .
- (ii) related organizations . . . . .

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .				
d Equipment . . . . .		87,888.	57,412.	30,476.
e Other . . . . .		61,265.	50,918.	10,347.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . . .				40,823.

**Part VII Investments - Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other -----		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

Table with 10 rows for Part XI reconciliation. Line 1: Total revenue (4,191,017); Line 2: Total expenses (3,860,620); Line 3: Excess or (deficit) for the year (330,397); Lines 4-9: Adjustments; Line 10: Excess or (deficit) per audited financial statements (330,397).

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows for Part XII reconciliation. Line 1: Total revenue (4,534,243); Line 2: Amounts included on line 1 but not on Form 990; Line 3: Subtract line 2e from line 1 (4,191,017); Line 4: Amounts included on Form 990 but not on line 1; Line 5: Total revenue (4,191,017).

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows for Part XIII reconciliation. Line 1: Total expenses (4,203,846); Line 2: Amounts included on line 1 but not on Form 990; Line 3: Subtract line 2e from line 1 (3,860,620); Line 4: Amounts included on Form 990 but not on line 1; Line 5: Total expenses (3,860,620).

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

**Part XIV** Supplemental Information (continued)

FIN 48 DISCLOSURE

SCHEDULE D, PART X

THE ORGANIZATION FOLLOWS GUIDANCE RELATED TO RELATED TO UNCERTAINTY IN INCOME TAXES. AFTER EVALUATING THE TAX POSITIONS TAKEN, NONE ARE CONSIDERED TO BE UNCERTAIN; THEREFORE, NO AMOUNTS HAVE BEEN RECOGNIZED AS OF DECEMBER 31, 2010 AND 2009.

INTEREST AND PENALTIES ASSOCIATED WITH TAX POSITIONS ARE RECORDED IN THE PERIOD ASSESSED AS MISCELLANEOUS ADMINISTRATIVE EXPENSE. NO INTEREST OR PENALTIES HAVE BEEN ASSESSED AS OF DECEMBER 31, 2010 AND 2009.

TAX YEARS THAT REMAIN SUBJECT TO EXAMINATION INCLUDE 2007 THROUGH 2010 FOR THE FEDERAL RETURN.

RECONCILIATION OF REVENUES ON TAX RETURN TO AUDITED FINANCIALS

SCHEDULE D, PART XII, LINE 2D

SPECIAL EVENT EXPENSES	\$122,688
------------------------	-----------

LOSS ON SALE OF ASSETS	\$5,060
------------------------	---------

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TOTAL	\$127,748
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**Part XIV** Supplemental Information (continued)

RECONCILIATION OF EXPENSES ON TAX RETURN TO AUDITED FINANCIALS

SCHEDULE D, PART XIII, LINE 2D

SPECIAL EVENT EXPENSES	\$122,688
LOSS ON SALE OF ASSETS	\$5,060
	-----
TOTAL	\$127,748

**SCHEDULE G**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information Regarding  
Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

**2010**

**Open To Public  
Inspection**

ALLIANCE FOR CHOICE IN EDUCATION

Employer identification number

84-1531066

**Part I**

**Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17.  
Form 990-EZ filers are not required to complete this part.

**1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a**  Mail solicitations
- b**  Internet and email solicitations
- c**  Phone solicitations
- d**  In-person solicitations
- e**  Solicitation of non-government grants
- f**  Solicitation of government grants
- g**  Special fundraising events

**2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?  Yes  No

**b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
			Yes	No			
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
<b>Total</b> .....							

**3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

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**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total events
		LUNCHEON (event type)	DINNER (event type)	0. (total number)	(add col. (a) through col. (c))
Revenue	<b>1</b> Gross receipts . . . . .	876,987.	77,700.		954,687.
	<b>2</b> Less: Charitable contributions . . . . .	837,387.	64,618.		902,005.
	<b>3</b> Gross income (line 1 minus line 2) . . . . .	39,600.	13,082.		52,682.
Direct Expenses	<b>4</b> Cash prizes . . . . .				
	<b>5</b> Noncash prizes . . . . .				
	<b>6</b> Rent/facility costs . . . . .	18,384.			18,384.
	<b>7</b> Food and beverages . . . . .	25,100.	13,082.		38,182.
	<b>8</b> Entertainment . . . . .				
	<b>9</b> Other direct expenses . . . . .	32,732.	33,390.		66,122.
	<b>10</b> Direct expense summary. Add lines 4 through 9 in column (d) . . . . .				( 122,688.)
	<b>11</b> Net income summary. Combine line 3, column (d), and line 10 . . . . .				-70,006.

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	<b>1</b> Gross revenue . . . . .				
Direct Expenses	<b>2</b> Cash prizes . . . . .				
	<b>3</b> Noncash prizes . . . . .				
	<b>4</b> Rent/facility costs . . . . .				
	<b>5</b> Other direct expenses . . . . .				
	<b>6</b> Volunteer labor . . . . .	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	<b>7</b> Direct expense summary. Add lines 2 through 5 in column (d) . . . . .				( )
	<b>8</b> Net gaming income summary. Combine line 1, column d, and line 7 . . . . .				

**9** Enter the state(s) in which the organization operates gaming activities: \_\_\_\_\_  
**a** Is the organization licensed to operate gaming activities in each of these states?  Yes  No  
**b** If "No," explain: \_\_\_\_\_

**10 a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No  
**b** If "Yes," explain: \_\_\_\_\_

- 11 Does the organization operate gaming activities with nonmembers?  Yes  No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No
- 13 Indicate the percentage of gaming activity operated in:
 

a The organization's facility	<b>13a</b>	%
b An outside facility	<b>13b</b>	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_.
- c If "Yes," enter name and address of the third party:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

16 Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

Director/officer       Employee       Independent contractor

- 17 Mandatory distributions:
  - a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No
  - b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

**Part IV** **Supplemental Information.** Complete this part to provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

**SCHEDULE I  
(Form 990)**

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

Name of the organization

ALLIANCE FOR CHOICE IN EDUCATION

Employer identification number

84-1531066

**Part I General Information on Grants and Assistance**

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	SEEDS OF HOPE 1300 SOUTH STEELE STREET DENVER, CO 80210	84-1437053	501(C)(3)	50,000.				EDUCATIONAL SUPPORT
(2)	DENVER STREET SCHOOL 1567 MARION STREET DENVER, CO 80218	84-1216351	501(C)(3)	40,000.				EDUCATIONAL SUPPORT
(3)	ARRUPE JESUIT HIGH SCHOOL 4343 UTICA STREET DENVER, CO 80212	02-0628872	501(C)(3)	64,313.				PROGRAM SUPPORT
(4)	BELLEVIEW CHRISTIAN SCHOOL 3455 WEST 83RD AVENUE WESTMINSTER, CO 80031	84-6027303	501(C)(3)	5,063.				PROGRAM SUPPORT
(5)	BETH JACOB HIGH SCHOOL OF DENVER 5100 WEST FORTEENTH AVENUE DENVER, CO 80204	84-0585743	501(C)(3)	8,875.				PROGRAM SUPPORT
(6)	CORNERSTONE CHRISTIAN ACADEMY 12000 ZUNI STREET WESTMINSTER, CO 80234	84-1463519	501(C)(3)	10,889.				PROGRAM SUPPORT
(7)	ESCUELA DE GUADALUPE 3401 PECOS STREET DENVER, CO 80211	31-1652842	501(C)(3)	48,250.				PROGRAM SUPPORT
(8)	ESCUELA TLATELOLCO 2949 NORTH FEDERAL BLVD. DENVER, CO 80211	84-0746649	501(C)(3)	7,250.				PROGRAM SUPPORT
(9)	EXCEL INSTITUTE 3050 RICHARD ALLEN CT DENVER, CO 80205	36-4579419	501(C)(3)	148,475.				PROGRAM SUPPORT
(10)	HILLEL ACADEMY 450 S. HUDSON ST. DENVER, CO 80246	09-8023650	501(C)(3)	25,875.				PROGRAM SUPPORT
(11)	HOLY TRINITY SCHOOL 3050 WEST 76TH AVENUE WESTMINSTER, CO 13174	84-0469648	501(C)(3)	13,174.				PROGRAM SUPPORT
(12)	INNER CITY SCHOOL 3560 JOSEPHINE STREET DENVER, CO 80204	84-1262204	501(C)(3)	13,000.				PROGRAM SUPPORT

- 2 Enter total number of section 501(c)(3) and government organizations
- 3 Enter total number of other organizations

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2010)

**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Name of the organization

ALLIANCE FOR CHOICE IN EDUCATION

Employer identification number

84-1531066

**Part I General Information on Grants and Assistance**

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	LA ACADEMIA-DENVER INNER CITY PARISH 1212 MARIPOSA STREET DENVER, CO 80218	84-0525768	501(C)(3)	145,375.				PROGRAM SUPPORT
(2)	NOTRE DAME CATHOLIC SCHOOL 5100 WEST EVANS AVENUE DENVER, CO 80219	80-0016188	501(C)(3)	17,375.				PROGRAM SUPPORT
(3)	PRESENTATION OF OUR LADY 660 JULIAN STREET DENVER, CO 80204	84-0404270	501(C)(3)	10,250.				PROGRAM SUPPORT
(4)	RESURRECTION CHRISTIAN SCHOOL 6502 EAST CROSSROADS BLVD	20-7083543	501(C)(3)	16,000.				PROGRAM SUPPORT
(5)	SAINTS PETER AND PAUL CATHOLIC SCHOOL 3920 PIERCE STREET WHEATRIDGE, CO 80033	84-0448043	501(C)(3)	10,205.				PROGRAM SUPPORT
(6)	ST. JOHN'S LUTHERAN CHURCH & SCHOOL 700 S FRANKLIN DENVER, CO 80209	84-0461558	501(C)(3)	5,500.				PROGRAM SUPPORT
(7)	ST. PIUS X CATHOLIC SCHOOL 13680 EAST 14TH PLACE AURORA, CO 80011	84-0457083	501(C)(3)	17,000.				PROGRAM SUPPORT
(8)	ST. ROSE OF LIMA 1345 W. DAKOTA AVE. DENVER, CO 80223	84-0465591	501(C)(3)	20,000.				PROGRAM SUPPORT
(9)								
(10)								
(11)								
(12)								

- 2 Enter total number of section 501(c)(3) and government organizations 20.
- 3 Enter total number of other organizations ▶

For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule I (Form 990) (2010)

**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 SCHOLARSHIPS	1,279.	2,118,341.			
2					
3					
4					
5					
6					
7					

**Part IV Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

MONITORING USE OF GRANT FUNDS

SCHEDULE I, PART I, LINE 2

THE ORGANIZATION ANNUALLY AWARDS SCHOLARSHIPS TO ASSIST RECIPIENTS WITH THE COST OF OBTAINING AN EDUCATION AT EITHER A PRIVATE OR PAROCHIAL SCHOOL (AS DEFINED IN SEC. 170(B)(1)(II)). THE SCHOLARSHIPS ARE ADVERTISED THROUGHOUT THE SCHOOL. SCHOLARSHIP RECIPIENTS ARE SELECTED THROUGH AN APPLICATION PROCESS, WHERE APPLICATIONS ARE SUBMITTED THROUGH THE SCHOOL THE STUDENT WISHES TO ATTEND. THE SCHOOL IS ALLOTTED A SPECIFIC NUMBER OF SCHOLARSHIPS DEPENDING ON THE TOTAL AMOUNT OF APPLICATIONS RECEIVED BY THAT SCHOOL. THE SCHOOL THEN REVIEWS THE APPLICATIONS TO

**Part III Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

**Part IV Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SELECT RECIPIENTS. CHECKS ARE SENT TO BOTH FAMILY AND SCHOOL; BOTH PARTIES ARE REQUIRED TO SIGN THE CHECKS.

SCHOOLS THAT RECEIVE FUNDS FOR BEFORE AND AFTER SCHOOL CARE SEND LETTERS TO ACE TO CONFIRM THAT THE FUNDS THEY RECEIVED WERE USED FOR THEIR INTENDED PURPOSES.



**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

ALLIANCE FOR CHOICE IN EDUCATION

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2010**

**Open to Public Inspection**

Employer identification number

84-1531066

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Compensation committee   | <input type="checkbox"/> Written employment contract                                |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment from the organization or a related organization? **4a**  Yes  No
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**  Yes  No
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**  Yes  No
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a**  Yes  No
- b** Any related organization? **5b**  Yes  No
- If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a**  Yes  No
- b** Any related organization? **6b**  Yes  No
- If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III **7**  Yes  No

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8**  Yes  No

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**  Yes  No

	Yes	No
<b>1a</b>		
<b>1b</b>		
<b>2</b>		
<b>3</b>		
<b>4a</b>		<input checked="" type="checkbox"/>
<b>4b</b>		<input checked="" type="checkbox"/>
<b>4c</b>		<input checked="" type="checkbox"/>
<b>5a</b>		<input checked="" type="checkbox"/>
<b>5b</b>		<input checked="" type="checkbox"/>
<b>6a</b>		<input checked="" type="checkbox"/>
<b>6b</b>		<input checked="" type="checkbox"/>
<b>7</b>		<input checked="" type="checkbox"/>
<b>8</b>		<input checked="" type="checkbox"/>
<b>9</b>		<input checked="" type="checkbox"/>

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 NORTON RAINEY	(i)	125,849.	26,491.	849.	9,527.	17,253.	179,969.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

EMPLOYEE OF UNRELATED ORGANIZATION

SCHEDULE J, PART II

NORTON RAINEY SERVES AS THE EXECUTIVE DIRECTOR OF THE ORGANIZATION. HE IS AN EMPLOYEE OF ASPECT MANAGEMENT CORPORATION, WHICH PAYS HIS SALARY AND BENEFITS. THE ORGANIZATION DOES NOT REIMBURSE ASPECT MANAGEMENT CORPORATION FOR THE EXECUTIVE DIRECTOR'S SALARY AND BENEFITS.

**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Name of the organization

ALLIANCE FOR CHOICE IN EDUCATION

Employer identification number

84-1531066

REVIEW OF THE 990

PART VI, SECTION B, LINE 11B

THE ORGANIZATION'S MANAGEMENT AND TREASURER REVIEW THE FORM 990 IN  
DETAIL. THE BOARD MEMBERS RECEIVE A COPY OF THE FORM 990 BEFORE THE  
RETURN IS FILED.

CONFLICT OF INTEREST POLICY

PART VI, SECTION B, LINE 12

EACH BOARD MEMBER RECEIVES A COPY OF THE CONFLICT OF INTEREST POLICY AND  
SIGNS A DISCLOSURE STATING THAT THEY HAVE READ, UNDERSTAND AND WILL  
COMPLY WITH THE POLICY. ANNUAL CONFIRMATIONS WITH THE BOARD ARE  
CONDUCTED. IF ANY CONFLICTS EXIST, THE BOARD MEMBER LEAVES THE MEETING  
WHILE THE ISSUE IS ADDRESSED AND RECUSES HIMSELF FROM VOTING ON THE  
MATTER.

COMPENSATION POLICY

PART VI, SECTION B, LINE 15

AN INDEPENDENT COMMITTEE MADE UP OF ACE BOARD MEMBERS WHO SIT ON ITS  
AUDIT COMMITTEE PROVIDES A COMPREHENSIVE ANNUAL PERFORMANCE, GOAL AND  
COMPENSATION REVIEW. COMPENSATION IS DIRECTLY TIED TO GOAL ACHIEVEMENT  
AND IS BENCHMARKED AGAINST LIKE ORGANIZATIONS OF SIMILAR SIZE. THE  
COMMITTEE ISSUES A FINAL COMPENSATION AND REVIEW RECOMMENDATION TO THE  
FULL BOARD, AND IF APPROVED, ISSUES A LETTER THAT OUTLINES ANY ACTIONS OR  
CHANGES APPROVED BY THE BOARD. THIS LETTER IS PLACED IN THE EXECUTIVE

Name of the organization ALLIANCE FOR CHOICE IN EDUCATION	Employer identification number 84-1531066
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DIRECTOR'S EMPLOYEE FILE.

DISCLOSURE OF DOCUMENTS TO THE PUBLIC

PART VI, SECTION C, LINE 19

AT ITS DISCRETION, THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS,  
CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE  
PUBLIC UPON REQUEST.

LEASED EMPLOYEES

PART V, LINE 2A

SALARIES AND BENEFITS ARE PAID THROUGH A THIRD PARTY, THEREFORE A FORM  
W-3, TRANSMITTAL OF WAGE AND TAX STATEMENT, HAS NOT BEEN FILED BY  
ALLIANCE FOR CHOICE IN EDUCATION (ACE).

ACE REIMBURSES THE THIRD PARTY FOR THE SALARIES AND BENEFITS FOR ALL OF  
THE EMPLOYEES, WITH THE EXCEPTION OF THE EXECUTIVE DIRECTOR. TO HELP  
ADVANCE THE MISSION OF ACE, THE THIRD PARTY CONTRIBUTES THE SALARY AND  
BENEFITS OF THE EXECUTIVE DIRECTOR TO ACE AND DOES NOT ASK TO BE  
REIMBURSED FOR THOSE COSTS.

ATTACHMENT 1

FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
INTEREST & DIVIDENDS	15,762.			15,762.
TOTALS	<u>15,762.</u>			<u>15,762.</u>

Name of the organization ALLIANCE FOR CHOICE IN EDUCATION	Employer identification number 84-1531066
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ATTACHMENT 2

FORM 990, PART VIII - EXCLUDED CONTRIBUTIONS

<u>DESCRIPTION</u>	<u>AMOUNT</u>
ANNUAL DINNER	64,618.
LUNCHEON	837,387.
TOTAL	<u>902,005.</u>

ATTACHMENT 3

FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>DIRECT EXPENSES</u>	<u>NET INCOME</u>
ANNUAL DINNER	13,082.	46,471.	-33,389.
LUNCHEON	39,600.	76,217.	-36,617.
TOTALS	<u>52,682.</u>	<u>122,688.</u>	<u>-70,006.</u>

ATTACHMENT 4

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>
PREPAID EXPENSES	88,171.	402,400.
TOTALS	<u>88,171.</u>	<u>402,400.</u>