Dear CFED friends, partners and family:

2008 was a year in which almost all our assumptions about how the world operates were challenged – for the better, and for the worse. Optimistic political change was paired with an economic crisis, the impact of which continues to devastate the fragile base of financial security relied upon by most low- and moderate income Americans. The asset building message has never been more relevant or necessary.

CFED’s 2008 Assets Learning Conference was a turning point as we welcomed 1,200 participants who actively shared knowledge and practice, framed policies and presented innovations. Nearly 400 attendees marched to Capitol Hill to advocate on behalf of policies with the potential to advance economic opportunities for all Americans. This activism resounded at the state and local levels as part of the Assets & Opportunity Campaign, which engages and connects state asset coalitions to advocate for and secure victories in statehouses.

In preparation for our 30th anniversary in 2009, CFED launched innovation@cfed to accelerate the creation of the next generation of effective strategies to expand economic opportunity. Our aim for innovation@cfed is to support proven innovators whose ideas have already demonstrated results while also recognizing innovative ideas that can take the next leap.

We made significant investments in program areas and new ventures that offer the promise of dramatically higher levels of impact. The Self-Employment Tax Initiative partners with free tax preparers and microenterprise programs to leverage the tax system to bring millions of self-employed and microentrepreneurs firmly into the financial system.

Through I’M HOME: Innovations in Manufactured Homes, CFED invested in community partners pursuing development, policy changes and financial innovation on behalf of the millions of Americans living in manufactured homes. We made our first equity investment in history into ROC USA (Resident Owned Communities). This national social venture operates in 30 states, helping homeowners to purchase and convert their manufactured home communities into cooperatives that enhance financial security and wealth creation opportunities.

All of us at CFED feel deeply fortunate to work with such committed and effective partners, supporters, and colleagues as we all work to rebuild economic opportunity and democratize wealth in this country.

Andrea Levere
President
Dear colleagues:

Amid 2008’s worldwide financial upheaval, CFED continued to build its programs, connections and capacities. We focused and enhanced our three primary areas of activity – entrepreneurship, savings and asset building, and ownership of manufactured homes – to better serve and expand the talents and energies of millions of emerging entrepreneurs, students, skilled workers and homeowners.

With Andrea Levere’s spirited and comprehensive leadership, we also created an ambitious and disciplined new program, innovation@cfed. And we strengthened and integrated capacities in all areas – research, partnership, management, human resources, communications, development, technology and finance. We added key talent on both the staff and the Board.

We also added to our endowment, the Assets & Opportunity Fund, the guarantor of our institutional independence and initiative. At one point, we exceeded our half-way goal of $7.5 million, only to fall back to one-third of our $15 million goal through unrealized losses, a sure sign of the times. CFED emerged from a trying year stronger than ever, knowing that the work of 30 years had made us ready to propose ways of building the mainstream economy by including the talents and energies of millions of working Americans, convinced that now is our time.

In 2008, the best-performing investment in our Asset & Opportunity Fund was our $500,000 equity investment in ROC USA – the manufactured housing financing and technical assistance intermediary we created and capitalized with our partners the New Hampshire Community Loan Fund, NCB Capital Impact and NeighborWorks America. It is notable that, at least in certain times, mission impact investments can significantly out-perform the market — and facilitate large-scale, sustainable, positive social change. The investment caps an effort led by CFED’s Finance Committee of the Board to revamp our investment policy to allow and encourage responsible impact investments, and an effort to strengthen the market vertex of our community practice, public policy and private markets business model.

Thank you, Andrea, for five years of outstanding leadership on all fronts. Thank you to the CFED Board for guiding and supporting us every step of the way. Thank you all for your continued engagement, initiative, partnership and support. We look forward to continued growth and change.

Sincerely,

Robert Friedman
Founder and Board Chair
From September 11-13, CFED brought together a diverse group of nearly 1,200 leaders from the asset building field at the 2008 Assets Learning Conference. Advancing America’s Assets Agenda was not only our largest conference, it also brought the growing chorus of voices for asset building to Washington, DC mere weeks before one of the most pivotal and historic elections in our generation. Representing nonprofits, governments, policy advocacy organizations, private sector companies, philanthropies and academic institutions — as well as assets program participants and accountholders — conference participants focused on furthering a single purpose: to encourage action and advance America’s assets agenda. The resulting dialogue could not have come at a better time, as Americans were beginning to fully experience the widespread effects of the national recession. The conference highlighted the need for asset building, identified practical approaches and encouraged cross-sector collaboration.

CFED champions asset building and has been a leader in the field for 30 years; this advocacy shaped conference discussions and presentations. In particular, the 12 core policies outlined in CFED’s 2007-2008 Assets & Opportunity Scorecard helped focus productive and meaningful dialogue. Those policies are: asset limits for public benefit programs, curbing predatory lending, expanding coverage for Medicaid and State Children’s Health Insurance Programs, housing trust funds, incentives for college savings, microenterprise support, school spending fairness, state Earned Income Tax Credits, state-supported preschool programs, support for Community Development Lenders, support for Individual Development Account (IDA) programs and tax expenditure reporting. These policies were designed as direct steps states can take to improve

Peter Orzag addresses the 2008 Assets Learning Conference.

There was a lot of information given that will get my organization to start thinking and talking!

— Sharisse Chapman, Comcast Cable
the financial prospects of their residents across a broad range of focus areas. Working from these core policies at the conference helped create collaborative opportunities and poised participants to take action in their areas of expertise.

A major benefit of holding the conference in Washington was the opportunity to rally attendees on Capitol Hill to meet with their representatives. CFED arranged for 400 people to visit 250 Capitol Hill offices (a total of nearly 900 visits) to convey information on the compelling need for asset-building policies. The presence of so many asset policy supporters dramatically increased visibility and support for expansive asset policy and opened avenues for further dialogue on the Hill and in the home offices of Congressional delegations.

With a total of 53 concurrent sessions divided along four tracks (policy, practice, research and innovation), 21 roundtable sessions, and great indigenous Washington, DC Go-Go music, the 2008 Assets Learning Conference became the largest and most comprehensive convening yet to learn about and promote local, state and federal asset policies and programs.

More than 150 speakers representing practitioners, researchers, policy advocates, elected officials, bankers and more led the sessions, panels and roundtables. Among the most popular were Behavioral Economics and Asset Building, which had a standing-room-only crowd; Credit Building is Asset Building; and Maximizing the Value of Financial Education. Special sessions offered demos of asset-building software and tools and presentations on innovations for field applications.

The conference also featured a business roundtable, Building Workforce Assets: Innovation, Application & Bottom-Line Benefits, for business leaders to explore asset-building opportunities and challenges for their employees. These included home foreclosure, the high cost of educating their children, and insufficient retirement savings. The roundtable showcased creative and effective workplace initiatives that are meeting the financial security needs of a growing and diverse workforce.

Very special thanks go to Wal-Mart, the Conference’s Presenting Sponsor; Bank of America, Levi Strauss Foundation and NeighborWorks America, our Platinum sponsors; Capital One, the Conference’s Small Business Sponsor; JPMorgan Chase, our Innovation Sponsor; Citi and Fannie Mae, our Gold sponsors; and all of the Asset Learning Conference’s other sponsors and generous supporters.

I continue to be impressed by the caliber of speakers at the Assets Learning Conferences, both in the plenaries and the break-out sessions.

— Catherine Solheim, University of Minnesota
In 2008, CFED was instrumental in advancing legislation both in Washington and at statehouses across the country. CFED policy efforts resulted in major victories in asset building, entrepreneurship and economic development.

**FEDERAL EFFORTS**

*Reformed asset limits in the Supplemental Nutrition Assistance Program (SNAP):* CFED led efforts to exclude IRAs, 529 and Coverdells from asset limit tests in SNAP, previously referred to as Food Stamps. This $1.2 billion change in the Food, Conservation, and Energy Act of 2008 (PL: 110-234) removes a significant savings disincentive for financially insecure families. The legislation also authorized the Beginning Farmer and Rancher IDA Program and Rural Microentrepreneur Investment Program (BFRIDA). If fully funded, BFRIDA could provide matched funding to at least 4,000 beginning farmers or ranchers to start or expand an agricultural enterprise over the course of the five-year pilot initiative.

*Expanded access to capital for community development financial institutions:* CFED led efforts to enable certified community development financial institutions (CDFIs) to become members of the Federal Home Loan Bank system in the Housing and Economic Recovery Act of 2008. This provision enables institutions with a proven record of serving African American, Latino, Asian, Pacific American, Native American, rural and inner-city low-income individuals and communities to access affordable financing for housing, community economic development and business financing. CFED also participated in efforts to create a National Affordable Housing Trust Fund including a Capital Magnet Fund for CDFIs.

*Increased support for asset building legislation:* Increased visibility resulted in support for asset legislation including The Savings for Working Families Act, which proposed to match the savings of 900,000 low-income families toward education, homeownership or business ownership through a tax credit to financial institutions that match up to $2,000 in savings dollar-for-dollar. At the close of the 111th Congress, the bill had a record level of sponsorship (127 bipartisan and bicameral co-sponsors), including 100 cosponsors in the House and 27 in the Senate, a promising starting point for the early months of the 112th Congress.

In addition, CFED promoted asset-building policy recommendations to presidential candidates throughout the election cycle. Then-candidate Barack Obama added two key proposals to his platform: the Saver’s Credit and Automatic IRA policies.

CFED also led efforts to secure funding for both the Assets for Independence program and the Office of Refugee Resettlement IDA program, which together have provided funding for more than 85,000 IDA savers across the country.

**SCORECARD CAMPAIGN SUPPORTS STATE POLICY GAINS**

Though 2008 saw a serious economic decline, CFED coordinated numerous state-based organizations in a campaign to use Assets & Opportunity Scorecard data to push for changes in
state policies that would further asset-building opportunities for low-income families. Starting with a group of state partners enlisted in 2005 that included Arkansas, California, Connecticut, Illinois and Michigan, CFED added five additional partners – Hawaii, Massachusetts, North Carolina, Texas and Washington. CFED worked with each partner organization to develop work plans, and provided them with financial support and technical assistance, as well as responsive state policy work and technical assistance to other emerging advocates. Our 10 state policy partners have engaged more than 500 diverse organizations in their policy development and education campaigns.

Many of our partners have contributed to an impressive list of policy advances. CFED has documented that more than $325 million of new financial resources have been generated for state asset-building and income support activities for low-income people. In addition, $396 million of existing financial resources have been protected from asset stripping through the passage of a dozen new policies between September 2007 and April 2008. Although many of these advances are the result of years of work by state and national advocates and activists, we believe that this level of results signals a growing political consensus in support of policies to build assets and expand economic security and opportunity.

As part of its campaign efforts, CFED monitored the asset policy landscape and tracked progress to provide key information to enhance the effectiveness of its own efforts, as well as those of its partners and the broad field of practitioners, policymakers and advocates. The data documented that 46 states and the District of Columbia enacted or attempted to enact legislation and more than 80 positive policy improvements were made. This data, available at www.cfed.org/scorecard/webinar/data, highlighted state victories on three key policies – EITC, payday lending and asset limits in SNAP.

EXPANDING PUBLIC EDUCATION

Through the Assets & Opportunity Campaign, CFED directed national education outreach to expand public knowledge about asset poverty, its impact on low- and moderate- income families, and what states can do to provide policy-based solutions. CFED presented Scorecard data through more than 45 presentations at forums hosted by KIDS COUNT, United Way of America, Catholic Charities, Bank of America, the National Community Tax Coalition, and the Children's Defense Fund, among others. More than 30 other organizations have featured the Scorecard on their Web sites, in newsletters or at conferences, including such varied groups as AFSCME, First Nations Development Institute, Bread for the World, Initiative for a Competitive Inner City, Americans for Fairness in Lending (AFFIL), the Oklahoma Department of Commerce and the South Carolina Legislative Black Caucus.

One such presentation took place in February at the San Francisco Foundation. CFED and California partner organizations held an interactive discussion with members of Northern California Grantmakers, an association supporting the activity of more than 170 grantmaking organizations and individuals. The discussion focusing on “Advancing Asset Policy and Practice in California,” and included panels discussing the economic situation in their own communities and how they use the Scorecard to shed a spotlight on critical factors affecting people’s ability to attain and sustain economic security. The meeting was characterized by the keen collaboration of area organizations to share ideas, the receptiveness and openness of the audience, and value of the Scorecard frame to help people with diverse interests see the interconnections of their work. This energy and collaboration was repeated in Scorecard forums across the country.
THE MUNICIPAL ASSETS PROJECT: EXPANDING ASSET BUILDING TO THE LOCAL MARKETPLACE

With the success of the Assets & Opportunity Scorecard, CFED has experienced a demand for similar information about municipal-level asset policies and program strategies. How can the data collection methodologies and analyses be applied to cities to help municipal leaders gauge the relative financial stability of residents? In order to address this question, CFED responded to inquiries from Columbus, Ohio – a city often used as a testing ground for social science research.

In August 2008, CFED produced the first Assets & Opportunity Municipal Profile for Columbus. The profile was released at a full day Assets & Opportunity Summit sponsored by JPMorgan Chase. Fifty participants representing local banks and other private sector employers, local community and family foundations, universities including Ohio State, and a wide range of nonprofit organizations attended the Summit.

The profile found Columbus to be a city with a great number of resources, most notably its young, educated population and diverse economy. However, it is also a city of growing poverty and large disparities between racial and ethnic groups. After focusing on these findings, Summit participants identified priority issues and then discussed asset-based strategies that could be implemented in Columbus to address those priorities. The day ended with a strong commitment and energy across a wide-ranging cross section of public and private sector organizations to work together to consider launching a “Bank on Columbus” campaign, broadening the EITC campaign and connecting it with more savings opportunities, and helping to improve wages and employment opportunities. This new product has catalyzed a new avenue of work at CFED focused on municipal efforts to build and protect assets.
In recognition of the critical role that innovation has played in expanding economic opportunity, CFED launched innovation@cfed at the 2008 Assets Learning Conference. Its goal is to accelerate the development of next generation asset-building and enterprise strategies. innovation@cfed’s components include Innovators-in-Residence and Innovative Ideas programs as well as annual Innovation Summits.

Innovators from across the United States and around the world were invited to apply to become Innovators-in-Residence and submit strategies to become Innovative Ideas.

Innovators-in-Residence are bold thinkers with promising and tested innovations who would benefit from support and resources to refine and expand the application of those innovations to reach thousands, possibly millions, of Americans. They will receive financial and technical support and a virtual or onsite CFED residency to refine and grow their innovations to marketable scale or to advance them through expanded real-world application.

The Innovative Ideas program was designed to stimulate discussion and exchange, and foster changes that will expand economic opportunities for disadvantaged Americans. Innovative Idea Champions will receive visibility through inclusion in CFED’s Web site, publications and Summits.

A highly interactive Innovation Summit will be the catalyst for CFED’s 30th anniversary drive to find and grow cutting-edge ideas that will fuel economic opportunity in coming years. Innovators-in-Residence and Innovative Idea Champions will be showcased at the upcoming Summit in October 2009.

An interactive learning community for the programs also has been created. Interested parties can sign up at http://innovation.cfed.org.
With the demonstration phase of the Saving for Education, Entrepreneurship and Downpayment (SEED) Initiative moving toward its conclusion, SEED demonstration sites worked hard in 2008 on a smooth transition of SEED account holdings into commercial savings products, and in documenting and recognizing the achievements of SEED savers. Overall, the SEED participants accumulated nearly $1.8 million in their accounts – counting their savings, match money and other incentive payments. On average, accountholders saved $30 per quarter and held a final account balance of $1,518. A number of sites held “graduation ceremonies” to recognize their savers, presenting them with certificates of completion and giant novelty checks denoting how much they had saved as a group.

While the demonstration phase of SEED will end in 2009, research and monitoring will continue, as well as the efforts of the SEED Policy Council to seek policies that will facilitate Children’s Development Accounts (CDAs). CFED also will be looking to capitalize on the burgeoning interest in CDAs at the municipal and state levels to advance the idea of asset building for children. Toward this end, CFED produced From Piggy Banks to Prosperity: A Guide to Implementing Children’s Development Accounts in September 2008. The guide is intended to be a resource that captures and shares the lessons from SEED about the most efficient and effective ways to deliver CDAs. The publication represents an effort to compile that vast body of knowledge into a comprehensive reference on CDA practice.

CFED also produced, in collaboration with See3 Communications, a series of videos on SEED featuring accountholders at Southern Good Faith Fund, Beyond Housing, People for People and Mile High United Way, as well as interviews with national partners. The video series includes six videos: one eight-minute video that gives a complete overview of SEED and five shorter clips, all featured on CFED’s Web site, www.cfed.org. Topics include the need for national policy and the impact on families saving in SEED.

In addition, CFED hosted a roundtable on the lessons and opportunities of establishing CDAs with high school-age youth in May 2008. The event brought new stakeholders to the table to discuss opportunities for expanded CDA initiatives in the future.
CFED’s Innovations in Manufactured Homes (I’M HOME) initiative seeks to realize the asset-building potential of manufactured housing. Throughout 2008, CFED and its partners were able to advance the creation and preservation of affordable housing opportunities through manufactured housing, while building stronger manufactured housing communities and increasing low-income consumers’ ability to build wealth through manufactured housing.

In May 2008, CFED and four partners launched ROC USA (Resident Owned Communities USA), a pioneering social enterprise that will help residents of manufactured home communities buy the land on which their homes sit and secure more of the benefits of homeownership they have been previously denied. The coalition includes the New Hampshire Community Loan Fund, the Ford Foundation, Fannie Mae and NCB-Capital Impact. ROC USA is based in Concord, NH, and currently operates in 29 states.

About 3.5 million American families live in an estimated 50,000 manufactured home communities. A sizeable number of them own their home but rent the ground on which it sits. This makes them vulnerable to excessive rent hikes and eviction if the land owner sells the land. Their homes also depreciate in value over time, so they are unable to build equity – a major component of personal wealth and economic security.

ROC USA, through its technical assistance providers and investment capital, is helping residents of these communities form membership associations that will purchase the land when it becomes available for sale. CFED awarded each technical assistance provider an implementation grant to cover their first year of operations. To date, ROC USA Network technical assistance providers have preserved more than 700 affordable homeownership opportunities by converting 10 communities to resident ownership in Connecticut, Minnesota, New Hampshire, New York, Oregon and Washington.

We are especially grateful to the Ford Foundation and Fannie Mae, whose support has been invaluable to this work.
As a radically different approach to delivering products and services to the microenterprise sector, the Self-Employment Tax Initiative (SETI) has probed both on-the-ground delivery systems as well as federal and state tax policies. SETI advances the use of the tax code and “tax day” as a way to scale-up the delivery of essential business development products and financial services to start-up and growing self-employed businesses. For SETI, 2008 was a transforming year in which events converged to confirm the full dimensions of a tax code-based microenterprise delivery system. First, the Citi Foundation provided SETI with a large, two-year award that allowed it to expand and plan more aggressively. Then, prompted by both the recession and the election of a new administration, SETI engaged more robustly in policy conversations about the future of microenterprise taxation.

SETI launched its third round of re-granting to local nonprofits in August 2008 and received over 50 applications. For this round SETI developed three grantee tracks – Core, Scale and Campaign. The Core track focused on new programs that were initiating tax preparation services to microenterprises. The Scale track was intended for programs with experience and high-volume capacity for serving microenterprises. Finally, the Campaign track was designed for experienced high volume coalitions that included many partners centered on assisting microenterprises in a scalable way. In total, SETI funded four Campaigns, seven Scale and five Core applicants during the 2008 tax season.

Staff and outside advisors selected 16 local partners representing free tax prep and microenterprise organizations from rural and urban markets in 14 states. These local partners provide SETI with insights and practical guidance in understanding the potential for expanding the microenterprise tax delivery system.

In 2008, SETI’s capacity was already in place and fully prepared to both understand and take full advantage of the Obama Administration’s campaign-molded “Making Work Pay” tax credit. Coupled with the unexpected recession, this created a particularly dynamic set of circumstances for a federal “microenterprise tax credit.”
AMERICAN DREAM MATCH FUNDS

American Dream Match Funds (ADMF) are designed to make the goal of education, homeownership, business and financial independence a reality for thousands of working individuals and families directly, and millions more through policy advocacy.

ADMF builds on the proven effectiveness and unfulfilled potential of community matched savings programs that have sprung up across the country, in part as a result of our demonstration, policy, education and organizing efforts. ADMF will, for the first time, build a national marketplace for matched savings by making it easier for individual donors, corporations and financial institutions to connect.

This year, the first ADMF pilot launched. SaveTogether.org, a public, Kiva.org-like Web site enabling “everyday philanthropists” to match the savings of working families in California, Washington and Massachusetts was created. ADMF of the San Francisco Bay Area, a collaborative large donor effort of CFED, EARN, Opportunity Fund, JUMA Ventures, SaveTogether, several Bay Area community foundations and the United Way, has emerged. By 2010, we expect these funds to expand to other communities and through new corporate partnerships.

YOUTH ENTREPRENEURSHIP WEB SITE

CFED’s Youth Entrepreneurship Capacity Building Web site, www.cfed.org/go/youth, was created in 2008 to be an Internet-based toolkit of resources for communities and schools interested in starting or expanding youth entrepreneurship programs. The toolkit builds from the many lessons learned through CFED’s youth entrepreneurship education program, rural entrepreneurship development systems, microenterprise activity and Native American entrepreneurship projects. CFED worked with our partner youth entrepreneurship programs to develop timely and relevant toolkit content to guide programs’ efforts in the delivery of a range of supportive services, including access to capital, training and technical assistance, coaching/mentorship and networks. CFED’s partners represented a diverse set of constituencies including African-American inner-city youth, remote rural youth, Hispanic and Native American youth. Community-based organizations and schools will benefit from the toolkit because it will build their capacity to serve low-income youth and their communities.
ANDREA LEVERE NAMED DONALDSON FELLOW AT YALE

CFED President Andrea Levere was selected as a Donaldson Fellow at the Yale School of Management. Levere joined four other prestigious honorees for the inaugural Class of 2008-2009. The Donaldson Fellows Program, named for the school’s founding dean William Donaldson, was established to recognize and honor alumni who exemplify the school’s mission of educating leaders for business and society. These individuals participated in a symposium at the school where Levere framed out ways graduate schools of business can help the asset-building field.

‘LIVING WITH A HOLE IN YOUR POCKET’ NOMINATED FOR REGIONAL EMMY

Living With a Hole in Your Pocket, a video documentary produced by CFED in partnership with the Northwest Area Foundation and Twin Cities Public Television was nominated in 2008 for a regional Emmy award. The documentary features struggling families and service agencies trying to maneuver through a web of counterproductive policies.
As of summer 2009

Andre Alexander III, Chief Financial & Venture Officer
Laura Arce, Program Director, SETI / Sr. Policy Analyst, Manufactured Housing
Ashley Arrington, Administrative Assistant
Jennifer Brooks, Director, State & Local Policy
Lisa Buckley, Program Assistant
Christopher Campbell, Creative Services Manager
Elizabeth Coit, VP for Communications & Development
LeElaine Comer, State Policy Specialist
Stephen Crawford, VP for Policy and Research
Laura Ewald, Communications Specialist
Robert E. Friedman, Chairman of the Board & General Counsel
Kathryn G. Goulding, Program Director, I’M HOME / Sr. Program Manager, New Market Development
Jane Hanley, Sr. Development Associate
Timothy Holtan, Staff Accountant
Joanne Irby, Director, Human Resources & Administration
Janet Jones, Sr. Administrative Assistant
Lisa Kawahara, Executive Assistant
Gloria Keys, Jr. Accountant
Kristin Lawton, Media Relations Manager
Andrea Levere, President
Anne S. Li, Program Director, Innovation
Deborah D. Manley, HR Manager
Donnise McWeay, Administrative Assistant
Genevieve Melford, Senior Program Manager, Applied Research
Amr S. Moubarak, Research Associate
Camille Palacio, Policy Associate
Kimberly W. Pate, VP for Strategic and Public Partnerships
Vincent Pickett, Help Desk Specialist
Ida Rademacher, Director, Research
Carl F. Rist, VP for Programs
Ernest Roberts, Administrative Assistant
Julie Rochester, Executive Assistant
Barbara Rosen, Program Manager
Bill Schweke, Sr. Fellow
Lonnie Snyder, Director, Information Technology
Nancy Stark, Director, Entrepreneurial & Economic Development
Leigh Tivol, Director, Savings & Financial Security
Michael Torrens, Director, Development Finance
Jerome L. Uher, Director, Communications
Alexander Villaverde, Program Associate
Inola Walston, Grant Writer
Rochelle J. Watson, Senior Program Manager
Aaron Watts, Sr. Web Developer
Carol Wayman, Director, Federal Policy
Paul Weiler, Controller
Kasey Wiedrich, Program Manager, Applied Research

Rachael Allen-Stephens, Intern
Susan Blaylock, Intern
Justina Cross, Intern
Hilary Finucane, Intern
Brigitte Gavin, Intern
Sofya Leonova, Hunger Fellow
Vincent Pickett, Intern
Alex Siegel, Intern
Brian Taylor, Intern
Veronica Weiss, Intern
Katie Wright, NUPIP Fellow
All of us at CFED are grateful for the financial support of the following individuals and institutions. We appreciate your investment in our work and your belief in our mission.

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Irvin Andre Alexander, III and Kevin McGowan
Annie E. Casey Foundation
Asset Funders Network
Gerson and Barbara Bakar
Angela Glover Blackwell
Bank of America Charitable Foundation
Capital One Foundation
Capital One Services, Inc.
Charles Schwab Bank
Charles Schwab Foundation
Charles Stewart Mott Foundation
Citi
Citi Foundation
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Ann Cohen
Elizabeth Coit
Charlotte Collins
Darlene Corbett-Hyjek
Rosalyn Crain
Evan Creed
Quinn Delaney and Wayne Jordan
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Cindy Edwards
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Federal Home Loan Banks
First Nations Oweesta Corporation
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Mrs. Phyllis K. Friedman
David Gardner
Thomas Gardner
Frances and Theodore Geballe
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MDC, Inc.
Elsie Meeks
Merrill Lynch Community Development Company L.L.C.
Nancy Meyer and Marc Weiss
William Miller
The Motley Fool, Inc.
Kevin and Mary Murphy
The National Center for Healthy Housing
 NeighborWorks America
Torod Neptune and Sabrina Michaux-Neptune
Nevada Community Foundation
North Carolina Rural Economic Development Center, Inc.
Northwest Area Foundation
Opportunity Finance Network
Chris and Janet Page
Kimberly Pate
Sally G. Paynter
Meghan Pituch
PNC Bank
David Polimene
Praxis Consulting Group, Inc.
Prudential Financial
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Alexander Reid
Richard and Joan M. Haber Fund at the East Bay Community Foundation
Karsten and Carol Rist
Rosenthal Companies/Geneva Management
Lois Russell
Anthony C. Santorelli
Specialized Information Publishers Association
Martin Stark
Jill Storey and Richard Fisher
Sycamore Fund at the Silicon Valley Community Foundation
United Way of the Bay Area
Alex Villaverde
W.K. Kellogg Foundation
Wachovia
Marilyn and Murry Waldman
Inola Walston
Walter and Elise Haas Fund
Carol Wayman
Wells Fargo
Winthrop Rockefeller Foundation
Nicola Wood
Z. Smith Reynolds Foundation

…and those who choose to remain anonymous
The following exhibits are excerpted from CFED’s Audited Financial Statements, which were prepared by Gelman Rosenberg & Freedman. As with many non-profit organizations, CFED experienced a decline in value of our investment portfolio between 2007 and 2008. In 2008 we recorded an unrealized loss in the market value of our portfolio of $1.4 million. Additionally, per Generally Accepted Accounting Principles (GAAP), restricted grants are recorded as temporarily restricted income in the year they are received. In 2008, CFED’s temporarily restricted grant balance was reduced by $5.3 million as we fulfilled obligations under several multi-year grants.

**Combined Schedule of Financial Position as of December 31,**

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<td>1,245,450</td>
<td>1,293,500</td>
</tr>
<tr>
<td>Incentives Payable</td>
<td>700,497</td>
<td>901,586</td>
</tr>
<tr>
<td>Deposits</td>
<td>11,375</td>
<td>7,175</td>
</tr>
<tr>
<td>Deferred Rent</td>
<td>300,325</td>
<td>99,265</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>3,152,880</strong></td>
<td><strong>3,449,440</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>1,678,439</td>
<td>2,617,256</td>
</tr>
<tr>
<td>Temporarily Restricted</td>
<td>5,694,041</td>
<td>11,004,485</td>
</tr>
<tr>
<td>Permanently Restricted</td>
<td>4,413,362</td>
<td>4,763,260</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>11,785,842</strong></td>
<td><strong>18,385,001</strong></td>
</tr>
</tbody>
</table>

| Total Liabilities/Net Assets | $14,938,722 | $21,834,441 |
## Combined Statement of Activities (unrestricted fund)
for the Years Ended December 31,

### REVENUE

<table>
<thead>
<tr>
<th>Source</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Contracts and Service Fees</td>
<td>$117,557</td>
<td>$1,021,573</td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td>9,611,042</td>
<td>7,900,169</td>
</tr>
<tr>
<td>Conference Revenue</td>
<td>988,120</td>
<td>13,747</td>
</tr>
<tr>
<td>Bank Interest Income</td>
<td>163,578</td>
<td>205,985</td>
</tr>
<tr>
<td>Rental Income</td>
<td>141,989</td>
<td>34,096</td>
</tr>
<tr>
<td>Other Income</td>
<td>21,848</td>
<td>69,463</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$11,044,134</td>
<td>$9,245,033</td>
</tr>
</tbody>
</table>
Current membership as of October 28, 2009:

**Robert Friedman, Chair**
Founder and General Counsel, CFED, San Francisco, CA

**Brande McHale, Vice Chair**
Director of Programs, Citi Foundation, New York, NY

**Ron Gryzwinski, Secretary/Treasurer**
Chairman, Shorebank Corporation, Chicago, IL

**Asheeh Advani**
Former President & CEO, Virgin Money USA, Dedham, MA

**Janie Barrera**
Founding President/CEO, Accion Texas, San Antonio, TX

**Don Baylor (Ron Gryzwinski Honorary Board Seat)**
Sr. Policy Analyst, Center for Public Policy Priorities, Austin, TX

**Andrea Levere**
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**Dan Letendre**
Senior Vice President, CDFI Lending and Investment Executive, Bank of America, San Francisco, CA
For more information on CFED, contact Elizabeth Coit, Vice President of Development, at 202.207.0145 or ecoit@cfed.org