



everyoneon

ANNUAL REPORT 2014



January 2015

Friends,

EveryoneOn's first year as an independent nonprofit has come to a close, and I am thrilled about all we've accomplished. To date, we've helped connect over 161,000 households to home access and have supported the work of many schools and nonprofits across the country in our mission to end the digital divide.

This year we've almost doubled the size of our staff, including our regional team, which we will continue to grow in 2015. We completely redesigned our website and ran a great media campaign, "Bring Curiosity Home," to help spread the word about our platform of low-cost offers. We also worked hard to improve and expand our platform to ensure that we can reach as many unconnected Americans as possible and provide them with the best quality, affordable service we can.



We expanded our reach across the country, adding close to 300 Enrollment Partners to our national network. We worked with the White House and the U.S. Department of Education to help support their ConnectED initiative to bring students and teachers next-generation educational technology. We hosted enrollment events everywhere from Los Angeles, CA to our own home of Washington, DC.

Of course, none of this work would be possible without your generous support. Every day we work hard to connect families to the tools and technology needed to access digital opportunity and achieve 21st century success. But we could not have accomplished any of this without your help, and so I thank you for your commitment to ending the digital divide in America.

This is our 2014 Annual Report highlighting the work we've done and outlining our plans for 2015 and beyond. We've done a lot of work to connect Americans to affordable Internet, but we're nowhere near done. Right now there are over 36 million unconnected U.S. residents already qualified to take advantage of our offers, and we're ready to get them connected.

Thank you again for supporting our efforts and we look forward to continuing our work in 2015!

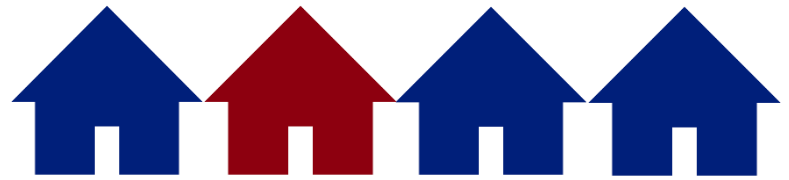
Sincerely,

Zachary Leverenz
Chief Executive Officer, EveryoneOn

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THE PROBLEM

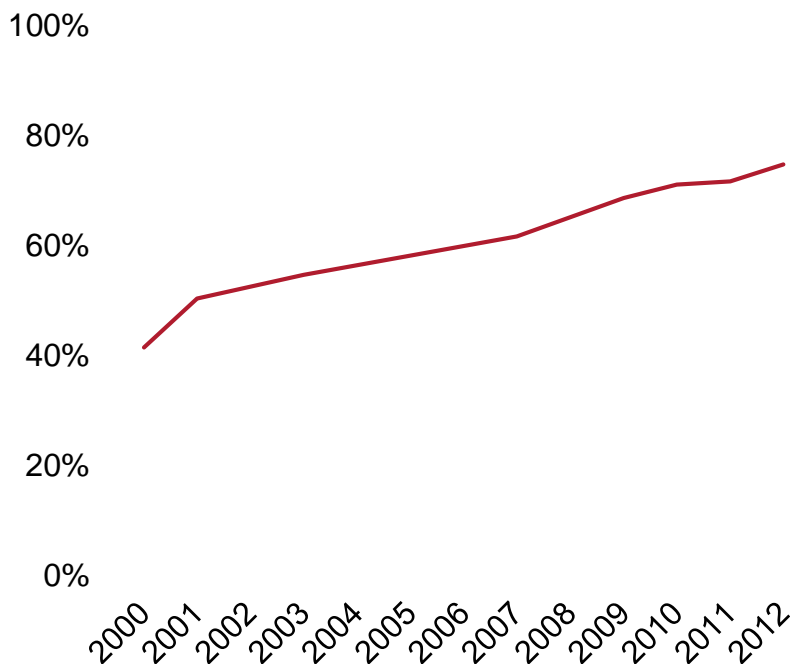
Technology has changed the way we do business, pursue education, find jobs, and interact with everyone from our family to our doctor to members of Congress. Yet nearly **one in five Americans do not use the Internet** at all. Disproportionately from low-income and minority communities, these populations risk becoming increasingly isolated from our digital society because they lack access to the Internet and the skills necessary to use it effectively.



One in four U.S. households suffer from lack of home Internet access.

As technology is reinventing our education, jobs, government, health sectors, and more, the divide is deepening. According to the FCC, lack of access costs the nation an estimated \$32 billion annually in lost earnings potential, educational inequities, and health care inefficiencies.

Despite the increasing inequity, we now enjoy nearly ubiquitous coverage, dropping technology costs, and unprecedented alignment of public-private opinion on the importance of digital inclusion. Companies like Google and Facebook, governments across the world, and organizations like us have decided that digital inclusion is a problem that needs to be fixed, and it needs to be fixed now. **The digital divide in America today is solvable—and we're working to solve it.**



YEAR	PERCENTAGE OF HOUSEHOLDS WITH INTERNET ACCESS
2000	41.5%
2001	50.4%
2003	54.7%
2007	61.7%
2009	68.7%
2010	71.10%
2011	71.70%
2012	74.80%

We want to get this number up to 100%.

Data from U.S. Census Bureau 2012

In May 2011, former FCC chairman Julius Genachowski challenged the broadband ecosystem to help close the adoption gap. Inspired by this challenge and the growing digital divide in the United States, Connect2Compete was founded. **Connect2Compete marked an unprecedented collaboration** of government, corporate, philanthropic, and community leaders committed to harnessing technology to improve the lives of low-income Americans.

The national nonprofit was aimed at eliminating the digital divide by providing high-speed, low-cost Internet and devices, as well as free digital literacy and training to families with children eligible for the National School Lunch Program. While we still work to serve these families, we realized there was a larger population that needed to be helped—and that's how Connect2Compete transitioned into EveryoneOn.

"IN THE 21ST CENTURY, HAVING ONE-THIRD OF AMERICANS SITTING ON THE SIDELINES IS AS UNTHINKABLE AS HAVING ONE-THIRD OF OUR COUNTRY WITHOUT ELECTRICITY IN THE 20TH"
- JULIUS GENACHOWSKI

Originally intended as a public awareness campaign designed to help all Americans access free digital literacy training in their communities, EveryoneOn soon became its own nonprofit, of which Connect2Compete remains just one project. EveryoneOn now works to provide **affordable Internet access, devices, and digital literacy training to all Americans**. It is vital that we encourage every American to take advantage of the tools he or she needs to succeed. The Internet is essential to finding a job, continuing learning outside the classroom, accessing e-commerce, connecting with family and friends, and so much more.

To date, EveryoneOn has helped connect **over 161,000 households**, and is ready to connect more.



EveryoneOn Board member Carlos Slim speaks at a Connect2Compete event (May 2012).



Zach Leverenz
Chief Executive
Officer



Sheila Dugan
Chief Marketing
Officer



Vin Menon
Chief Operations
Officer



Reba Watkins
Development Manager



Norma Fernandez
Regional Manager,
California



Kurt Peluso
Regional Manager,
New Jersey



Nolen Young
Technology Manager



Reginald Galloway
Operations Manager



Cara Wilner
Programs Manager



Amber Petty
Programs Associate



Suchita Mandavilli
Communications
Associate

BOARD AND ADVISERS

We are deeply appreciative of our **Board of Directors and Advisers** who provide invaluable insight and support. Comprised of leaders from the nonprofit, philanthropic, government, financial, and communication sectors, our Board is integral to the success and future of our digital inclusion work.



Ben Hecht
Board Member



Jed Katz
Board Member



Jorge Martinez
Board Member



Carlos Slim Helú
Board Member



Josh Gottheimer
Board Member



Jordan Usdan
Adviser



Marco A. López
Adviser



Paula Ellis
Adviser

This year, we have also brought together a **Corporate Advisory Board**. We are grateful for their expertise and advice on current and future projects.

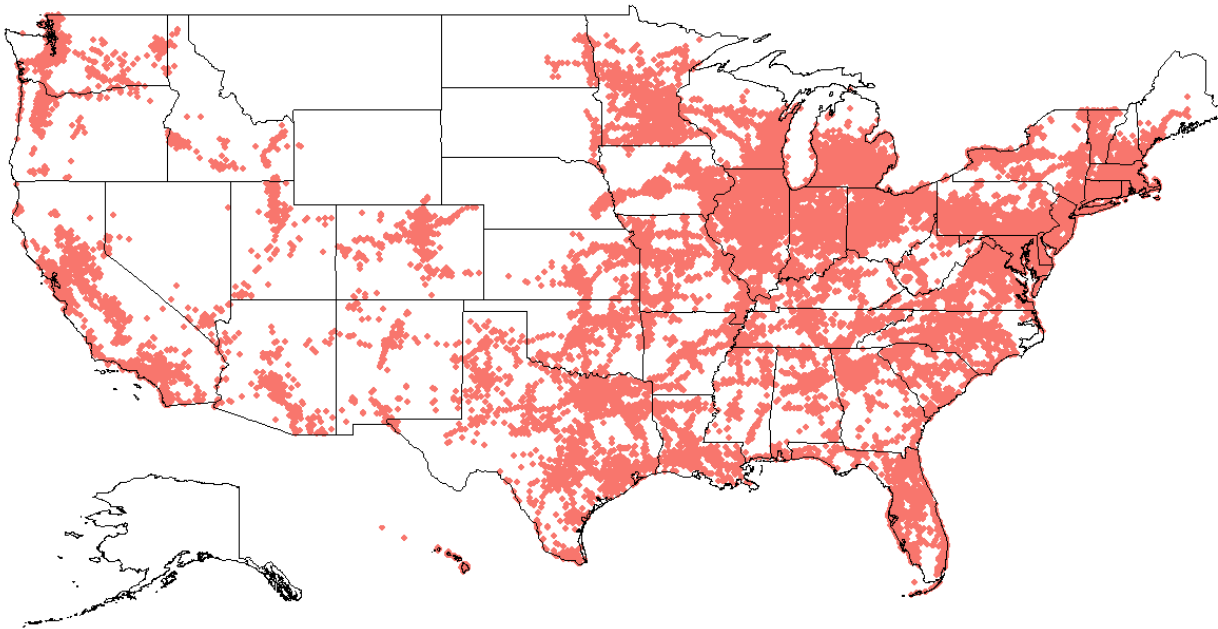
Sarah Dillard, SPD Advisory
Gabriela Domenzain, The Raben Group
Byron Garrett, Microsoft
Omar Gayle, CDI Computer Dealers, Inc.
Scott Kinney, Discovery
Andrew Ko, Samsung
Adam Lewis, Apploi
Peter McElligott, Citrix
Katherine Messier, Mobile Beacon
Amy Quinn, Cox Communications

Rahul Pasarnikar, McKinsey & Company
Ben Roberts, The Martin Agency
Eric Seguin, Solix, Inc.
James Spillane, Sprint
Stephen Stokols, FreedomPop
Steve Trimitiere, FamilyWize
Jordan Usdan, Microsoft
Stephen Wakefield, Discovery
Alisson Walsh, Mobile Beacon
Monique Woodard, Black Founders

During 2014, EveryoneOn had three strategic priorities: (1) expand platform, (2) accelerate adoption, and (3) drive awareness. These priorities drove our work and defined the ways in which we worked to improve the state of digital inclusion in the United States.

Expand Platform

During 2014, EveryoneOn decided to actively expand its platform in the hopes of reaching as many unconnected Americans as possible. This included **launching new partnerships** with Mobile Beacon, Mobile Citizen, Basic Internet, and Google Fiber.



The map above shows all the ZIP codes in which we have affordable Internet offers. Through our platform of partnerships, we are able to offer **affordable 4G Internet service in 48 states**. We have intentionally built our platform such that students, adults, and seniors are all able to determine their eligibility on the basis of their ZIP code alone.

Accelerate Adoption

The number of households with Internet access in the United States increases each year, but the rate at which it increases is too slow. Part of our goal at EveryoneOn is to increase that rate. There are a few ways in which we do this. Individuals can come to our website on their own and purchase affordable Internet, but we recognize that this is not necessarily the best tactic to accelerate adoption.

A large portion of our work is dedicated to facilitating bulk adoptions. We make it possible for organizations and school districts to prepay for Internet service and buy devices for their beneficiaries in bulk. This allows us to help **provide devices and access on larger scales**. Through bulk adoptions this year, we have connected close to 4,000 individuals.

We work with a **platform of over 300 enrollment partners** across the country that help spread the word about EveryoneOn's offers. Enrollment partners include schools, libraries, digital training sites, and community organizations, which, by virtue of being an enrollment partner, automatically have all of their constituents prequalified for our offers. These enrollment partners help get people connected through EveryoneOn offers. They include:



Located in Boston, MA, Tech Goes Home strives to ensure that under-served residents are provided with the tools, training, and access to support 21st century skill development.



Based in Seattle, WA, Solid Ground-ConnectUp works to end poverty and undo racism and other oppressions that are root causes of poverty.



Created by the Office of the Chief Technology Officer (OCTO), Connect.DC works to bridge the digital divide by making technology easier to use, more accessible, more affordable, and more relevant to the everyday lives of District residents and community institutions.



Based in CA, Great Valley Center is focused on addressing critical challenges and improving the quality of life in California's Great Central Valley.

EveryoneOn is also proud to have joined the coalition of nonprofit partners **working to fulfill the mission of ConnectED**, a White House education initiative to put high-speed Internet in every schoolroom in the United States and to give students and teachers access to cutting-edge technology. We are working to provide support to this mission by serving as a national nonprofit partner, supporting the K-12 National Advisory Council on ConnectED, driving awareness and adoption of the new offers, as well as helping corporate partners implement ConnectED commitments. To date, leading private sector companies have donated close to \$2 billion in free hardware, software, content, and wireless connectivity.

Drive Awareness

Part of our mission is to increase awareness of the problem of the digital divide and the fact that there are affordable solutions. As a part of this effort, this year we worked with the Martin Agency to run a multi-media campaign titled "Bring Curiosity Home." Through television advertisements, bus shelters, and posters, we promoted **the importance and value of having home access**.



We also launched a blog, **The LinkAge**, which provides a hub for discussion and innovations in the digital inclusion space. On The LinkAge, we feature nonprofit, public, and private leaders who are working to fix the digital divide. The blog is a place to share best practices, acquire insight into digital inclusion issues, as well as learn about the changes that are constantly happening in the field.

FINANCIAL INFORMATION

EveryoneOn officially received its 501(c)(3) status in April 2014, and is grateful to its former fiscal agent, Living Cities, an innovative philanthropic collaborative that blends the collective financial resources of its members and deploys their collective knowledge and experience to improve the lives of low-income people and the cities in which they live. From 2012 to 2014, Living Cities provided essential resources and capacity support to EveryoneOn, without which our work to date would not have been possible.

EveryoneOn is now a **501(c)(3) nonprofit organization** and 100 percent of all donations received are tax deductible. Financial support helps us to maintain our commitment to providing high-speed, low-cost broadband, technology, and free digital literacy to ensure a fair and just future for all.

To make a charitable donation to EveryoneOn, please note that our federal tax ID (#45-4868462) may be listed as "Connect to Compete, Inc."

EXPENSES 2014



- G&A (13%)
- PROGRAMS (87%)

GENERAL & ADMINISTRATIVE

Employee Fringe	\$58,538
Rent, Travel, & Other G&A	\$92,823
Service Providers	\$41,080

PROGRAMS

Broadband Adoption & Training	\$983,802
Eligibility & Enrollment Systems	\$186,422
Marketing & Awareness	\$97,350
Measurement & Evaluation	\$45,005

TOTAL EXPENSES **\$1,505,020**

INCOME 2014



- BULK ADOPTION INVESTMENTS (13%)
- CORPORATIONS (7%)
- FOUNDATIONS (79%)
- INDIVIDUALS (1%)

FOUNDATIONS**	\$1,430,000
CORPORATIONS	\$126,202
BULK ADOPTIONS	\$243,760
INDIVIDUALS	\$10,618

TOTAL INCOME **\$1,810,580**

***Represents gifts intended for use in 2014. Total receipts, including funds for 2014 and future years, were \$3,220,000.*

Generous support in the form of multi-year grants from our key local and national philanthropic partners continues to provide the majority of our funding. We are deeply grateful to the following foundations for their lasting commitment to closing the digital divide in the United States: **Carlos Slim Foundation, John S. and James L. Knight Foundation, Wasserman Foundation**, and the **California Emerging Technology Fund**.

For further information about our reported financials, please contact our Development Manager Reba Watkins at reba@everyoneon.org.

everyoneon

We've done a lot of work to connect Americans to affordable Internet. But we're nowhere near done.

We're poised for 3.5x growth over the next two years. Right now there are over 36 million unconnected U.S. residents already qualified to take advantage of our offers, and we're ready to get them connected.

"THIS IS SUCH A GREAT OPPORTUNITY FOR MY GIRLS. ... WE WILL NO LONGER HAVE TO SPEND LONG EVENINGS AT THE LIBRARY OR MCDONALD'S TO USE THE INTERNET."

- LILIAN, LOS ANGELES, CA

"THE INTERNET—YOU HAVE TO HAVE IT FOR EVERYTHING. ... PEOPLE DON'T UNDERSTAND HOW HARD IT IS FOR A SINGLE PERSON TO MAKE IT IN THE WORLD, AND I'M VERY GRATEFUL THAT [THIS OFFER] IS AVAILABLE TO ME."

- BLAINE, FORT WORTH, TX

Will you help us eliminate the digital divide?
Visit EveryoneOn.org to find out how you can get involved.