

**THE AMERICAN INDIA FOUNDATION**

**FINANCIAL STATEMENTS  
AND  
ADDITIONAL INFORMATION**

**MARCH 31, 2009 AND 2008**

# THE AMERICAN INDIA FOUNDATION

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# LOTZ AND CARR

CERTIFIED PUBLIC ACCOUNTANTS, L.L.P.  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The American India Foundation

We have audited the accompanying statements of financial position of The American India Foundation (a not-for-profit organization) as of March 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The American India Foundation as of March 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Lotz + Carr, LLP*

New York, New York  
June 30, 2009

**THE AMERICAN INDIA FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>Assets</b>		
Cash and cash equivalents (Notes 1c and 3)	\$2,310,902	\$ 702,338
Investments (Notes 1e and 4)	6,262,634	7,808,870
Unconditional promises to give (Notes 1d and 5)	277,105	464,418
Prepaid expenses and other assets	80,473	205,113
Program loans and advances receivable	48,660	-
Property and equipment, net of accumulated depreciation) (Notes 1f and 6)	<u>17,267</u>	<u>4,135</u>
<b>Total Assets</b>	<u><u>\$8,997,041</u></u>	<u><u>\$9,184,874</u></u>
<b>Liabilities and Net Assets</b>		
Grants payable (Note 7)	\$2,344,737	\$3,494,058
Accounts payable and accrued expenses	111,586	52,413
Refundable deposits held	15,000	20,800
Total Liabilities	<u>2,471,323</u>	<u>3,567,271</u>
Commitments (Note 8)		
Net Assets		
Unrestricted	1,909,906	517,788
Temporarily restricted (Note 2a)	4,015,812	4,499,815
Permanently restricted (Note 2b)	<u>600,000</u>	<u>600,000</u>
Total Net Assets	<u>6,525,718</u>	<u>5,617,603</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$8,997,041</u></u>	<u><u>\$9,184,874</u></u>

See notes to financial statements.

**THE AMERICAN INDIA FOUNDATION**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED MARCH 31, 2009 AND 2008**

	2009			2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Changes in Net Assets</b>							
Support and Revenue							
Contributions and grants	\$ 1,312,776	\$ 1,726,430	\$ -	\$ 2,518,791	\$ 1,064,794	\$ -	\$ 3,583,585
Benefit income	4,807,841	727,222	-	5,108,767	1,701,631	-	6,811,398
Less: Direct benefit expenses	(854,177)	-	-	(804,133)	-	-	(804,133)
Realized gain (loss) on investments	13,301	-	-	(2,439)	-	-	(2,439)
Unrealized gain (loss) on investments	(288,505)	-	-	6,945	-	-	6,945
Gain (loss) on foreign currency exchange	720,565	-	-	(220,000)	-	-	(220,000)
Interest and other income	268,063	-	-	379,235	-	-	379,235
Reversal of prior year grants payable (Note 7)	1,150,546	-	-	-	-	-	-
	<u>7,130,410</u>	<u>2,453,652</u>	<u>-</u>	<u>6,988,166</u>	<u>2,766,425</u>	<u>-</u>	<u>9,754,591</u>
Net assets released from restrictions:							
Satisfaction of time and program restrictions	2,937,655	(2,937,655)	-	2,375,961	(2,375,961)	-	-
Change in terms of restricted grant	-	-	-	-	(503,320)	-	(503,320)
	<u>10,068,065</u>	<u>(484,003)</u>	<u>-</u>	<u>9,364,127</u>	<u>(112,856)</u>	<u>-</u>	<u>9,251,271</u>
<b>Total Support and Revenue</b>							
Expenses							
Program Services	7,035,522	-	-	8,304,670	-	-	8,304,670
Supporting Services	547,679	-	-	481,192	-	-	481,192
Management and general	1,092,746	-	-	997,011	-	-	997,011
Fundraising	1,640,425	-	-	1,478,203	-	-	1,478,203
Total Supporting Services	<u>8,675,947</u>	<u>-</u>	<u>-</u>	<u>9,782,873</u>	<u>-</u>	<u>-</u>	<u>9,782,873</u>
Total Expenses							
Increase (decrease) in net assets	1,392,118	(484,003)	-	(418,746)	(112,856)	-	(531,602)
Net assets, beginning of year	517,788	4,495,815	600,000	936,534	4,612,671	600,000	6,149,205
<b>Net Assets, End of Year</b>	<u>\$ 1,909,906</u>	<u>\$ 4,015,812</u>	<u>\$ 600,000</u>	<u>\$ 517,788</u>	<u>\$ 4,499,815</u>	<u>\$ 600,000</u>	<u>\$ 5,617,603</u>

See notes to financial statements.

**THE AMERICAN INDIA FOUNDATION**

**STATEMENTS OF CASH FLOWS**

**YEARS ENDED MARCH 31, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash Flows From Operating Activities</b>		
Increase (decrease) in net assets	\$ 908,115	\$ (531,602)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	6,219	2,705
Reversal of prior year grants payable	(1,150,546)	-
Donated securities	(190,757)	(1,139,090)
Realized (gain) loss on investments	(13,301)	2,439
Unrealized (gain) loss on investments	288,505	(6,945)
(Increase) decrease in:		
Unconditional promises to give	187,313	950,522
Prepaid expenses and other current assets	124,640	(133,181)
Program loans and advances receivable	(48,660)	-
Increase (decrease) in:		
Grants payable	1,225	1,005,487
Accounts payable and accrued expenses	59,173	4,291
Refundable deposits held	(5,800)	4,800
Net Cash Provided By Operating Activities	166,126	159,426
 <b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment	(19,351)	-
Purchases of investments	(6,811,772)	(4,396,475)
Proceeds from sale of investments	8,273,561	4,523,104
Net Cash Provided By Investing Activities	1,442,438	126,629
 Net increase in cash and cash equivalents	1,608,564	286,055
Cash and cash equivalents, beginning of year	702,338	416,283
 <b>Cash and Cash Equivalents, End of Year</b>	<b>\$2,310,902</b>	<b>\$ 702,338</b>

See notes to financial statements.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**Note 1 - Organization and Summary of Significant Accounting Policies**

a - Organization

The American India Foundation ("AIF") is a not-for-profit organization formed to provide financial, technological, and managerial resources toward helping the people of India realize their full potential and strengthening the bonds between the United States of America and India.

b - Related Organization

In December 2003, AIF signed a memorandum of understanding ("MOU") with The American India Foundation Trust ("the Trust") located in India. The Trust will carry out developmental activities with funds provided by AIF. AIF and the Trust do not share any common members on their respective Board of Directors, and accordingly, the transactions of the Trust have not been included in the accompanying financial statements.

c - Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents, except for those short-term investments and cash managed by AIF's investment managers as part of their long term investment strategies.

d - Contributions and Unconditional Promises to Give

The Organization reports contributions received as unrestricted, temporarily restricted, or permanently restricted depending on the existence and/or nature of any donor restrictions. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years experience and management's analysis of specific promises made.

e - Investments

The Organization reflects investments at fair value in the statement of financial position. Unrealized gains and losses on investments are reflected in the statement of activities. Interest, gains and losses on investments are reflected in the statement of activities as increases and decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law. Investment income restricted by the donor is reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the income is recognized.

## THE AMERICAN INDIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)****e - Investments (continued)**

The Organization was required to adopt Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"), effective January 1, 2008.

SFAS 157 clarifies that fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). Under SFAS 157, fair value measurements are not adjusted for transaction costs. SFAS 157 provides for use of a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three levels.

Unadjusted quoted prices in active markets for identical assets or liabilities are referred to as Level 1 inputs. Inputs other than quoted market prices that are observable, either directly or indirectly, and reasonably available are referred to as Level 2 inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the assumptions developed by the Organization based on available information about what market participants would use in valuing the asset or liability and are referred to as Level 3.

An asset or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Availability of observable inputs can vary and is affected by a variety of factors. Level 3 assets and liabilities involve greater judgment than Level 1 or Level 2 assets or liabilities.

All of the Organization's investments are classified within Level 1 of the fair value hierarchy. Fair value is determined using quoted market values.

The values assigned to these investments and any unrealized gains or losses reported based on available information and do not necessarily represent amounts that might be realized if a ready market existed and such differences could be material. The ultimate realization of such amounts depend on future events and circumstances and therefore valuations estimates may differ from the value realized upon disposition of individual positions.

**f - Property and Equipment**

Property and equipment acquired are recorded at cost and are depreciated using the straight-line method over the estimated useful life of the related asset.



**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**

g - Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

h - Estimates

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

i - Income Taxes

The American India Foundation is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

**Note 2 - Restrictions on Assets**

a - Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for the following purposes:

	<u>2009</u>	<u>2008</u>
Donor advised funds	\$1,984,416	\$1,967,927
Livelihood	939,025	694,207
Digital equalizer	711,881	485,676
Public health	160,149	655,213
Tsunami Relief	142,626	24,793
Service corps	25,000	-
Bihar Relief Fund	52,715	-
Future periods	-	615,191
Development	-	56,808
	<u>\$4,015,812</u>	<u>\$4,499,815</u>

b - Endowment Funds

The Organization's endowment consists of two funds established for general support. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**Note 2 - Restrictions on Assets (continued)**

b - Endowment Funds (continued)

Consistent with New York State Not-for-profit Corporation Law, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of any applicable donor gift instrument at the time the accumulation is added to the fund.

The Organization's endowment funds, consisting of donor-restricted endowment funds, are classified as permanently restricted net assets.

Changes in the Organization's endowment funds for the year ended March 31, 2009 are summarized as follows:

	<u>Unrestricted Endowment</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment funds, beginning of year	\$ -	\$600,000	\$600,000
Investment return:			
Investment income	24,120	-	24,120
Net realized and unrealized (loss) on investments	<u>(27,520)</u>	<u>-</u>	<u>(27,520)</u>
Total Investment Return	<u>(3,400)</u>	<u>-</u>	<u>(3,400)</u>
Transfer of unrealized endowment loss to unrestricted net assets	<u>3,400</u>	<u>-</u>	<u>3,400</u>
Endowment funds, end of year	<u>\$ -</u>	<u>\$600,000</u>	<u>\$600,000</u>

The primary investment objective of AIF is to preserve and protect its assets, by earning a total return for each fund appropriate to each fund's time horizon, liquidity needs, and risk tolerance. AIF seeks to eliminate any excess interest rate risk by limiting the type and the time horizons of its investments.

**Asset Quality**

Fixed income securities - The quality rating of bonds and notes must be "A" or better, as rated by Standard & Poor's and Moody's. The portfolio may consist of only transitional principal and interest obligations (no derivatives) with maturities of seven years or less.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**Note 2 - Restrictions on Assets (continued)**

b - Endowment Funds (continued)

Asset Quality (continued)

Cash/Cash equivalents - The quality rating of commercial paper must be A-1, as rated by Standard & Poor's, P-1, as rated by Moody's, or better. The assets of any money market mutual funds must comply with rule 2a-7.

As with implementation of the new guidelines set by the Finance Committee, AIF has taken a conservative view of protecting capital and has been primarily investing in Money Markets, Treasuries and FDIC insured CD's. Prior to that, AIF looked at a total return strategy with a mix of Municipal bonds, Money Markets and other Fixed Income instruments.

The Organization has a policy of appropriating 100% of endowment earnings.

**Note 3 - Concentration of Credit Risk**

The Organization maintains cash and cash equivalent balances in financial institutions, which from time to time exceed the Federal Depository Insurance Corporation limit and subject the Organization to concentration of credit risk.

**Note 4 - Investments**

Investments, which are all classified as Level 1 in the fair value hierarchy, are reflected at fair value and consist of the following:

	<u>2009</u>		<u>2008</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Municipal bonds	\$ 562,812	\$ 557,102	\$2,501,932	\$2,512,023
Government and agencies bonds	799,304	809,020	548,050	552,284
Corporate bonds	911,135	581,933	517,883	520,005
Equities	33,617	28,329	265,000	270,280
Certificates of deposit and auction instruments	1,175,000	1,176,524	1,170,638	1,169,803
Cash	3,109,726	3,109,726	1,552,210	1,552,210
Mortgage backed securities	-	-	116,486	107,468
Preferred Stock	-	-	500,000	450,280
Mutual funds	-	-	677,126	674,517
	<u>\$6,591,594</u>	<u>\$6,262,634</u>	<u>\$7,849,325</u>	<u>\$7,808,870</u>

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**Note 5 - Unconditional Promises to Give**

Unconditional promises to give are designated as follows:

	<u>Unrestricted</u>	<u>Restricted for Future Programs and Periods</u>	<u>2009 Total</u>	<u>2008 Total</u>
Due within one year	\$151,000	\$126,105	\$277,105	\$379,418
Due from one to five years	-	-	-	<u>85,000</u>
March 31, 2009 Total	<u>\$151,000</u>	<u>\$126,105</u>	<u>\$277,105</u>	
March 31, 2008 Total		<u>\$195,000</u>		<u>\$464,418</u>

Uncollectible promises are expected to be insignificant. Unconditional promises to give that are due in more than one year are discounted to net present value using a rate of 5%.

**Note 6 - Property and Equipment**

Property and equipment consist of the following:

	<u>Life</u>	<u>2009</u>	<u>2008</u>
Furniture, fixtures and equipment	5-7 years	\$30,908	\$11,557
Computer equipment	3-5 years	<u>39,819</u>	<u>39,819</u>
		70,727	51,376
Less: Accumulated depreciation		<u>(53,460)</u>	<u>(47,241)</u>
		<u>\$17,267</u>	<u>\$ 4,135</u>

Depreciation expense for the years ended March 31, 2009 and 2008 was \$6,219 and \$2,705, respectively.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**Note 7 - Grant Making Activities**

AIF provides grants to reputable Indian non-governmental organizations (NGO's) that are executing development projects in India. The initial focus of the grant making activities was to provide relief and rehabilitation assistance to victims of the Gujarat earthquake. The grant making activities have since expanded to focus on accelerating social and economic development in all of India.

AIF entered into various Memorandums of Understanding ("MOU") with the NGO's. These organizations are responsible for carrying out developmental activities with funds provided by AIF, and, if applicable, with matching contributions provided by other organizations. The amounts due to the NGO's are generally payable in installments based on certain criteria and/or milestones achieved as contained within the MOU. If at any stage AIF is not satisfied with the quantity or quality of the work on the project, it can withhold payment. During the year, AIF reviewed its unpaid grants and modified agreements which did not meet the annual obligation of the MOU. These modifications are summarized by area below.

AIF awarded grants and incurred expenses in administrating such grants. The grants were awarded in the following areas:

	<u>2009</u>	<u>2008</u>
Grants awarded		
Education	\$2,111,279	\$1,773,387
Livelihood	1,142,339	1,619,392
Public Health	1,195,225	1,561,629
Gujarat Earthquake Fund	-	20,214
Tsunami Relief	-	756,164
Other	-	155,595
	<u>4,448,843</u>	<u>5,886,381</u>
Less: Modified grant agreements		
Education	(402,870)	-
Tsunami Relief	(281,527)	-
Livelihood	(362,607)	-
Gujarat Earthquake Fund	(103,542)	-
	<u>(1,150,546)</u>	<u>-</u>
Grants awarded to AIF Trust		
Service Corps	149,028	133,346
Digital Equalizer	808,363	961,418
Donor Education	-	4,540
Public Health	47,361	83,962
Education	35,706	43,150
Livelihood	41,438	69,938
Tsunami Relief	12,718	28,647
AIF Trust administrative and other expenses	<u>500,900</u>	<u>378,110</u>
	<u>1,595,514</u>	<u>1,703,111</u>
	<u>\$4,893,811</u>	<u>\$7,589,492</u>

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2009 AND 2008**

**Note 7 - Grant Making Activities (continued)**

The unpaid balances of these grants are reflected as grants payable:

	<u>2009</u>	<u>2008</u>
Livelihood	\$1,224,627	\$1,627,355
Education	476,448	733,721
Public Health	581,261	489,077
Tsunami Relief	62,401	462,902
Gujarat Earthquake Fund	<u>-</u>	<u>181,003</u>
	<u>\$2,344,737</u>	<u>\$3,494,058</u>

**Note 8 - Commitments**

AIF relocated its offices in California and New York, in October 2007 and April 2008, respectively. AIF's minimum annual obligation under the new lease agreements is as follows:

<u>Year Ending March 31,</u>	
2010	\$211,116
2011	196,765
2012	161,723
2013	166,575
2014	179,573
2015	184,960

Rent expense for the years ended March 31, 2009 and 2008 was \$192,128 and \$94,691, respectively.

**Note 9 - Functional Allocation of Expenses**

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

**ADDITIONAL INFORMATION**

# LUTZ AND CARR

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## INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To the Board of Directors of  
The American India Foundation

Our report on our audits of the basic financial statements of The American India Foundation for years ended March 31, 2009 and 2008 appears on page 1. We conducted our audits in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Functional Expenses for year ended March 31, 2009 with comparative totals for year ended March 31, 2008 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Lutz + Carr, LLP*

New York, New York  
June 30, 2009



THE AMERICAN INDIA FOUNDATION  
SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2009 WITH COMPARATIVE TOTALS FOR 2008

	Service Corps		Program Services				Supporting Services			2009	2008 *
		Digital Equalizer	Donor Education	Grant Making	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses	
Salaries	\$ 81,759	\$ 114,028	\$ 28,105	\$ 274,747	\$ 498,639	\$ 226,765	\$ 301,026	\$ 527,791	\$ 1,026,430	\$ 825,010	
Fringe and employee benefits	37,285	21,460	7,585	81,862	147,992	77,721	74,848	152,569	300,561	214,424	
Stipends	-	-	300	-	300	-	4,917	4,917	5,217	9,520	
Grants (Note 7)	-	-	-	4,448,843	4,448,843	-	-	-	4,448,843	5,886,361	
Grants to AIF Trust for programs and administration (Notes 1b and 7)	149,028	808,363	-	638,123	1,595,514	-	-	-	1,595,514	1,703,111	
Consulting	9,362	30,134	2,862	48,218	90,576	42,893	24,329	67,222	157,798	194,928	
Professional services	-	-	-	-	-	39,894	-	39,894	39,894	26,118	
Office supplies	3,658	1,275	1,316	3,984	10,233	10,287	10,642	20,929	31,162	35,422	
Equipment, repairs and maintenance	5,966	2,866	2,867	13,185	24,884	12,300	31,752	44,052	68,936	38,460	
Printing and postage	4,893	1,688	3,043	8,016	17,640	7,637	23,272	30,909	48,549	72,069	
Insurance	265	253	253	1,012	1,763	8,567	2,027	10,594	12,377	18,943	
Occupancy	23,091	23,330	23,041	49,591	119,053	49,776	110,658	160,434	279,487	155,118	
Training	-	-	-	-	-	125	-	125	125	2,305	
Travel and lodging	53,225	6,977	-	9,950	70,152	8,627	14,941	23,568	93,720	168,295	
Indirect benefit expenses	-	-	-	-	-	-	464,354	464,354	464,354	309,522	
Dues and fees	324	-	-	50	374	180	1,502	1,682	2,056	1,970	
Depreciation	-	-	-	-	-	6,219	-	6,219	6,219	2,705	
Promotional and development	904	5	2,105	-	3,014	8,855	22,171	31,026	34,040	19,047	
Bad debt	-	-	-	-	-	-	-	-	-	68,550	
On-line processing fee	-	-	-	-	-	37,827	-	37,827	37,827	22,134	
Miscellaneous	771	771	1,128	3,856	6,525	10,006	6,307	16,313	22,838	8,841	
<b>Total Expenses, 2009</b>	<b>\$370,531</b>	<b>\$1,011,150</b>	<b>\$72,605</b>	<b>\$5,561,236</b>	<b>\$7,035,522</b>	<b>\$ 547,679</b>	<b>\$1,092,746</b>	<b>\$1,640,425</b>	<b>\$8,675,947</b>	<b>\$9,782,873</b>	
<b>Total Expenses, 2008</b>	<b>\$316,108</b>	<b>\$1,131,775</b>	<b>\$92,676</b>	<b>\$6,764,111</b>	<b>\$8,304,670</b>	<b>\$ 481,192</b>	<b>\$ 997,011</b>	<b>\$1,478,203</b>			

\* Certain amounts have been reclassified for comparative purposes.

See independent auditors' report on additional information.