

Financial Statements
Year Ended
June 30, 2011

Blinded Veterans Association



DIXON HUGHES GOODMAN LLP
Certified Public Accountants and Advisors

Blinded Veterans Association

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Report of Independent Auditors

Board of Directors
Blinded Veterans Association

We have audited the accompanying statement of financial position of *Blinded Veterans Association* as of June 30, 2011, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the management of *Blinded Veterans Association*. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from *Blinded Veterans Association's* 2010 financial statements, which were audited by Goodman & Company, LLP, who merged into Dixon Hughes Goodman LLP as of April 1, 2011, and whose report dated November 2, 2010, expressed an unqualified opinion on those statements.

We conducted our audit 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of *Blinded Veterans Association's* internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2011 financial statements referred to above present fairly, in all material respects, the financial position of *Blinded Veterans Association* as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Dixon Hughes Goodman LLP

McLean, Virginia
November 2, 2011

Blinded Veterans Association

Statement of Financial Position

June 30, 2011, with Comparative Totals for 2010

	2011	2010
Assets		
Current assets		
Cash and cash equivalents	\$ 480,028	\$ 900,743
Promises to give	1,949,106	203,941
Accounts receivable	-	17,855
Prepaid expenses	43,629	43,107
Total current assets	2,472,763	1,165,646
Property and equipment	3,012,907	2,958,653
Less - accumulated depreciation	(1,344,790)	(1,295,242)
Property and equipment - net	1,668,117	1,663,411
Other assets		
Noncurrent promises to give	3,145	67,000
Investments designated by Board for		
Investment Fund, at fair value	4,461,986	3,988,825
Life Membership Fund, at fair value	1,581,582	1,285,524
Building Fund, at fair value	9,167	6,989
Total other assets	6,055,880	5,348,338
	\$ 10,196,760	\$ 8,177,395
Liabilities and Net Assets		
Accounts payable	\$ 175,066	\$ 140,246
Accrued expenses	93,733	89,619
Total current liabilities	268,799	229,865
Unrestricted		
Undesignated	3,136,042	2,661,076
Board designated	5,964,143	5,216,424
Temporarily restricted	827,776	70,030
Total net assets	9,927,961	7,947,530
	\$ 10,196,760	\$ 8,177,395

The accompanying notes are an integral part of these financial statements.

Blinded Veterans Association

Statement of Activities

Year Ended June 30, 2011, with Comparative Totals for 2010

	2011			2010 Total	
	Unrestricted Undesignated	Designated	Temporarily Restricted		
Revenue and support					
Contributions	\$ 5,125,364	\$ 31,446	\$ 801,148	\$ 5,957,958	\$5,329,890
Investment return	145,680	815,244	-	960,924	640,869
Other revenue	276,219	-	-	276,219	248,030
	5,547,263	846,690	801,148	7,195,101	6,218,789
Net assets released from restrictions					
Satisfaction of restrictions	43,402	-	(43,402)	-	-
Total revenue and support	5,590,665	846,690	757,746	7,195,101	6,218,789
Expenses					
Program services					
Field service programs	1,252,152	-	-	1,252,152	1,166,931
Education	2,438,131	81,874	-	2,520,005	3,143,214
Total program services	3,690,283	81,874	-	3,772,157	4,310,145
Supporting services					
Fundraising	1,341,101	-	-	1,341,101	1,369,103
Management and general	74,315	27,097	-	101,412	88,404
Total supporting services	1,415,416	27,097	-	1,442,513	1,457,507
Total expenses	5,105,699	108,971	-	5,214,670	5,767,652
Change in net assets	484,966	737,719	757,746	1,980,431	451,137
Designated reserve transfer	(10,000)	10,000	-	-	-
Net assets - beginning of year	2,661,076	5,216,424	70,030	7,947,530	7,496,393
Net assets - end of year	\$ 3,136,042	\$ 5,964,143	\$ 827,776	\$ 9,927,961	\$7,947,530

The accompanying notes are an integral part of these financial statements.

Blinded Veterans Association

Statement of Functional Expenses

Year Ended June 30, 2011, with Comparative Totals for 2010

	2011								2010 Total
	Program Services			Supporting Services				Total	
	Field Service Programs	Education	Total Program Services	Fundraising	Management and General	Total Supporting Services			
Salaries and wages	\$ 444,819	\$ 249,583	\$ 694,402	\$ 93,471	\$ 406,755	\$ 500,226	\$ 1,194,628	\$ 1,148,078	
Payroll taxes	43,141	20,983	64,124	6,539	33,673	40,212	104,336	101,875	
Employee benefits	87,071	18,110	105,181	6,195	126,464	132,659	237,840	222,724	
Advertising	-	-	-	5,560	-	5,560	5,560	6,070	
Awards and grants	-	12,500	12,500	-	1,000	1,000	13,500	14,919	
Building maintenance	-	-	-	-	52,029	52,029	52,029	41,728	
BVA bulletin	-	75,278	75,278	-	-	-	75,278	70,473	
Conventions and meetings	95	1,075	1,170	100	1,893	1,993	3,163	1,882	
Employee training	-	-	-	280	-	280	280	815	
Insurance	-	-	-	-	35,401	35,401	35,401	35,123	
Office expense and supplies	2,553	1,206	3,759	923	16,069	16,992	20,751	23,813	
Payroll service	-	-	-	-	4,730	4,730	4,730	6,625	
Permits and licenses	-	-	-	5,095	336	5,431	5,431	4,860	
Postage and shipping	580	2,572	3,152	18,782	7,120	25,902	29,054	44,803	
Printing and stationery	5,385	31,800	37,185	91,031	11,737	102,768	139,953	115,996	
Professional fees	-	-	-	-	27,015	27,015	27,015	51,875	
Public relations	104	821,226	821,330	348	2,059	2,407	823,737	1,442,184	
Rental and equipment	1,913	472	2,386	-	18,533	18,533	20,919	23,600	
Repairs and maintenance	-	-	-	-	34,878	34,878	34,878	29,926	
Stipend - Blind Center	8,992	-	8,992	-	-	-	8,992	2,185	
Board liaison	319	-	319	-	-	-	319	1,486	
Subscriptions and dues	-	7,048	7,048	159	5,098	5,257	12,305	9,481	
Telephone and communications	229	286	515	-	14,450	14,450	14,965	13,950	
Website design	-	1,000	1,000	-	210	210	1,210	978	
Travel	68,051	821	68,872	14	48,909	48,923	117,795	102,788	
Utilities	-	-	-	-	24,423	24,423	24,423	25,611	
Bank charges	227	668	895	4,192	13,982	18,174	19,069	19,846	
Apportionment of Life Membership Fund investment income	-	81,874	81,874	-	-	-	81,874	75,303	
Apportionment of annual dues	-	3,472	3,472	-	-	-	3,472	7,594	
Direct mail - computer costs	-	42,197	42,197	42,589	2,387	44,976	87,173	89,561	
Direct mail - donation processing	-	31,961	31,961	32,258	1,808	34,066	66,027	77,095	
Direct mail - list rental	-	42,037	42,037	42,427	2,378	44,805	86,842	72,610	
Direct mail - mailing service	-	482,829	482,829	487,307	27,316	514,623	997,452	1,006,331	
Direct mail - postage	-	370,120	370,120	373,552	20,940	394,492	764,612	758,579	
Direct mail - production cost	-	4,281	4,281	34,321	242	34,563	38,844	51,933	
Indirect cost allocation	550,886	202,722	753,608	89,793	(843,401)	(753,608)	-	-	
Total expenses before depreciation	1,214,365	2,506,121	3,720,487	1,334,936	98,434	1,433,370	5,153,857	5,702,700	
Depreciation	37,787	13,884	51,671	6,165	2,978	9,143	60,814	64,952	
Total expenses	\$ 1,252,152	\$ 2,520,005	\$ 3,772,157	\$ 1,341,101	\$ 101,412	\$ 1,442,513	\$ 5,214,670	\$ 5,767,652	

The accompanying notes are an integral part of these financial statements.

Blinded Veterans Association

Statement of Cash Flows

Year Ended June 30, 2011, with Comparative Totals for 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities		
Change in net assets	\$ 1,980,431	\$ 451,137
Adjustments to reconcile to net cash from operating activities:		
Depreciation	60,814	64,952
Contribution of marketable securities	(61,430)	-
Net realized and unrealized gain on investments	(716,490)	(418,933)
Change in:		
Promises to give	(1,681,310)	(143,027)
Accounts receivable	17,855	19,643
Prepaid expenses	(522)	15,619
Accounts payable and accrued expenses	38,934	(17,281)
Net cash from operating activities	<u>(361,718)</u>	<u>(27,890)</u>
Cash flows from investing activities		
Purchase of property and equipment	(65,519)	(6,200)
Purchase and reinvestment of investments	(944,365)	(892,096)
Proceeds from redemption and sale of investments	950,887	881,866
Net cash from investing activities	<u>(58,997)</u>	<u>(16,430)</u>
Net change in cash and cash equivalents	(420,715)	(44,320)
Cash and cash equivalents - beginning of year	<u>900,743</u>	<u>945,063</u>
Cash and cash equivalents - end of year	<u>\$ 480,028</u>	<u>\$ 900,743</u>
Supplemental disclosure of noncash investing activities		
Contribution of marketable securities	\$ 61,430	\$ -

The accompanying notes are an integral part of these financial statements.

Blinded Veterans Association

Notes to Financial Statements

June 30, 2011, with Comparative Totals for 2010

1. Organization and Nature of Activities

The *Blinded Veterans Association* (Association) was chartered by an act of the U.S. Congress in 1958 to promote the welfare of blinded veterans, strengthen a spirit of fellowship among blinded veterans and further the institutions of American freedom and loyalty to the Constitution and laws of the United States. The Association is a publicly supported organization and, as such, contributions to the Association qualify as charitable deductions for tax purposes by the donor. The Association is primarily supported by donor contributions, bequests, and investment income.

2. Summary of Significant Accounting Policies

Contributions and Basis of Presentation

The Association receives contributions from the general public. Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use. The estimated value of donated professional services meeting the criteria for recognition as contributed services is reflected in the financial statements at their estimated value. The Association also receives contributed services in various capacities from volunteers to help accomplish its program objectives. The estimated value of these donated, nonprofessional services is not reflected in the financial statements as the services do not meet the criteria for recognition as contributed services.

The Association classifies its resources for accounting and reporting purposes into three net asset categories according to the existence or absence of donor-imposed restrictions. The financial statements report separately by class of net assets as follows:

Unrestricted net assets include revenue and expenses associated with the principal mission of the Association that are not restricted by donor stipulation. Unrestricted net assets include the following:

Undesignated net assets - includes the net assets associated with the principal mission of the Association that are not restricted by donor or Board of Directors' stipulations.

Designated net assets - includes the net assets set aside by the Board of Directors for the funding of special programs (see Note 13).

Temporarily restricted net assets include grants or gifts for which donor imposed restrictions have not been met. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted net assets were \$827,776 and \$70,030 at June 30, 2011 and 2010, respectively (see Note 14).

Permanently restricted net assets include gifts that require, by donor restriction, that the corpus be invested in perpetuity and only the income is available for program operations in accordance with donor restriction. The Association had no permanently restricted net assets at June 30, 2011 and 2010.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers highly liquid debt instruments, except for cash and money market funds held in brokerage accounts designated by the Board of Directors, with a maturity of three months or less at the time of purchase to be cash equivalents.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Association that is, in substance, unconditional. Unconditional promises to give were \$1,952,251 and \$270,941 at June 30, 2011 and 2010, respectively. The Association received no conditional promises to give during 2011 or 2010.

The Association uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At June 30, 2011 and 2010, management's assessment was that all contributions receivable were deemed to be collectible.

Investments

The Association reports its investments at fair value in the statement of financial position. Gains and losses, both realized and unrealized, are included in the statement of activities as changes in unrestricted net assets.

Property and Equipment

Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Depreciation expense is provided on a straight-line basis over the estimated useful service lives of the respective assets as follows:

Furniture and equipment	3 to 5 years
Communication equipment	5 years
Building and improvements	7 to 40 years

The Association capitalizes property and equipment acquired with a value greater than \$2,000. When assets are sold or disposed, the cost and related accumulated depreciation are removed from the accounts with any gain or loss reported in the statement of activities. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred.

Advertising

Advertising costs are expensed as incurred.

Functional Allocation of Expenses

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

Income Tax Status

The Association is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code; accordingly, the accompanying financial statements do not reflect a provision or liability for federal or state income taxes. The Association has determined that it does not have any material unrecognized tax benefits or obligations as of June 30, 2011 and June 30, 2010. Years ending on or after June 30, 2008 remain subject to examination by federal and state tax authorities.

Concentration of Credit Risk

Financial instruments that potentially subject the Association to concentrations of credit risk consist principally of cash and investments.

The Association maintains cash in bank accounts, which may at times exceed the federally insured limit. The Association has not experienced any losses as a result of the concentration, and management believes it is not exposed to any significant credit risk. At June 30, 2011 and 2010, all bank deposits were federally insured.

The Association maintains a concentration of temporary cash and equity investment accounts with brokerage institutions which are members of the Securities Investor Protection Corporation (SIPC). The Association has not experienced any losses as a result of the concentration, and management believes it is not exposed to any significant credit risk. Security investments are subject to market fluctuations. The Association's management and investment committee monitors the investment portfolio to minimize risk associated with these investments and diversifies accordingly.

Reclassifications

Certain comparative figures have been reclassified to conform to the current year financial statement presentation.

Subsequent Events

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through November 2, 2011, the date the financial statements were available to be issued.

3. Related Parties

The Association and various regional groups are related inasmuch as the Association has the authority to issue, revoke, and amend their charters. The Association collects and remits a portion of the annual dues collected from members and the entire portion of designated investment earnings to the regional groups.

At June 30, 2011 and 2010, amounts payable to the various regional groups for annual dues were \$3,581 and \$3,854, respectively, and amounts payable for designated investment earnings were \$88,591 and \$79,798, respectively.

4. Promises to Give

Promises to give in future periods are recorded at the estimated present value of the future stream of payment as of the date of the pledge. The discount to the present value for pledges at June 30, 2010 was considered to be immaterial and thus was not recorded. Pledges receivable at net realizable values at June 30, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Less than one year	\$ 1,949,106	\$ 203,941
One to five years	3,145	67,000
	<u>\$ 1,952,251</u>	<u>\$ 270,941</u>

5. Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2011.

Level 1 assets include mutual funds and exchanged traded funds which are valued at the net asset value (NAV) of shares held at year-end and equity securities which are valued at the closing price reported in the active market in which individual securities are traded. Level 2 assets include unit investment trusts which are valued at net asset value per share of units held at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Association's assets at fair value as of June 30, 2011 and 2010:

	Assets at Fair Value as of June 30, 2011			
	Level 1	Level 2	Level 3	Total
Common stock	\$ 1,322,374	\$ -	\$ -	\$ 1,322,374
Mutual funds - debt				
Intermediate-term bond	666,432	-	-	666,432
Long-term bond	217,047	-	-	217,047
Short-term bond	446,505	-	-	446,505
World bond	869,695	-	-	869,695
Mutual funds - equity				
Large value	1,502,214	-	-	1,502,214
Foreign large blend	83,107	-	-	83,107
Unit investment trust funds (*)	-	750,210	-	750,210
	\$ 5,107,374	\$ 750,210	\$ -	\$ 5,857,584

	Assets at Fair Value as of June 30, 2010			
	Level 1	Level 2	Level 3	Total
Common stock	\$ 983,593	\$ -	\$ -	\$ 983,593
Mutual funds - debt				
Intermediate-term bond	1,082,568	-	-	1,082,568
Long-term bond	181,203	-	-	181,203
Short-term bond	444,436	-	-	444,436
World bond	413,544	-	-	413,544
Mutual funds - equity				
Large value	1,272,664	-	-	1,272,664
Foreign large blend	65,305	-	-	65,305
Unit investment trust funds (*)	-	242,870	-	242,870
	\$ 4,443,313	\$ 242,870	\$ -	\$ 4,686,183

(*) The Association's investment in unit investment trust funds do not have unfunded commitments, redemption restriction or redemption notice periods. The redemption frequencies are immediate. The trust funds seek to provide total return primarily through capital appreciation and current dividend income by investing in a portfolio of common stocks.

6. Investments

Investments consisted of the following:

	<u>2011</u>		<u>2010</u>
Money market funds	\$ 195,151	\$	595,155
Common stock	1,322,374		983,593
Mutual funds	3,785,000		3,459,720
Unit investment trust fund	750,210		242,870
	<u>\$ 6,052,735</u>	\$	<u>5,281,338</u>

Investment return consisted of the following:

	<u>2011</u>		<u>2010</u>
Interest and dividends	\$ 244,434	\$	221,936
Realized and unrealized gains (losses)	716,490		418,933
	<u>\$ 960,924</u>	\$	<u>640,869</u>

7. Property and Equipment

Property and equipment consisted of the following:

	<u>2011</u>		<u>2010</u>
Land	\$ 644,439	\$	644,439
Furniture and equipment	84,381		95,646
Communication equipment	61,034		61,034
Building and improvements	2,223,053		2,157,534
	<u>3,012,907</u>		<u>2,958,653</u>
Less – accumulated depreciation	1,344,790		1,295,242
	<u>\$ 1,668,117</u>	\$	<u>1,663,411</u>

Depreciation expense for 2011 and 2010 was \$60,814 and \$64,952, respectively.

8. Equipment Leases

The Association leases office equipment under operating leases expiring through October 2016. The lease agreements are collateralized by the equipment.

Future minimum lease payments under noncancelable operating leases for years ending June 30 are as follows:

2012	\$ 18,001
2013	18,274
2014	10,325
2015	1,404
2016	1,404
Thereafter	<u>468</u>
	<u>\$ 49,876</u>

Equipment lease expense for 2011 and 2010 was \$20,919 and \$19,702, respectively.

9. Retirement Benefits

The Association participates in a tax deferred account for the benefit of its employees under Section 403(b) of the Internal Revenue Code. The Association provides a matching contribution equal to 25% of participating employee contributions with a maximum at 4% of annual salary.

The retirement expense for 2011 and 2010 was \$7,039 and \$10,565, respectively.

10. Allocation of Joint Costs

The Association conducts mail campaigns that include requests for contributions, as well as program components. The costs of conducting those campaigns included joint costs totaling \$2,010,951 and \$2,019,026 in 2011 and 2010, respectively, which are not specifically attributable to particular components of the activities. These joint costs were allocated as follows:

	<u>2011</u>	<u>2010</u>
Management and general	\$ 55,072	\$ 46,864
Program services	973,426	995,211
Fundraising	<u>982,453</u>	<u>976,951</u>
	<u>\$ 2,010,951</u>	<u>\$ 2,019,026</u>

11. Accrued Expenses

Accrued expenses consisted of the following:

	<u>2011</u>	<u>2010</u>
Accrued vacation	\$ 85,700	\$ 80,805
Other accrued expenses	<u>8,033</u>	<u>8,814</u>
	<u>\$ 93,733</u>	<u>\$ 89,619</u>

12. Donated Professional Services

The Association received donated professional services for air time for public service announcements to benefit the Association's educational program. The fair value of the contributed air time, which was \$791,065 and \$1,419,145 in 2011 and 2010, respectively, is recognized as contribution income and public relations expense in the statement of activities.

13. Designated Net Assets

The Board designated programs and the fund balances are as follows:

Investment Fund - Established for the purpose of investing specifically designated funds of the Association. The Board determines the amount of funds to be invested and has established a cash reserve requirement equal to, at a minimum, the current year's operating budget. There were no designated reserve transfers during 2011 or 2010. At June 30, 2011 and 2010, the Investment Fund balance was \$4,461,986 and \$3,988,825, respectively.

Life Membership Fund - Life and associate membership dues paid to the Association are placed in the Life Membership Fund. Net earnings are divided among the various regional groups in good standing. At June 30, 2011, apportionment of net earnings due to regional groups was \$88,591 and the Life Membership Fund balance was \$1,492,990. At June 30, 2010, apportionment of net earnings due to regional groups was \$79,798 and the Life Membership Fund balance was \$1,205,726.

Building Fund - Established for the purpose of constructing or purchasing a building for the Association's national headquarters. Net earnings are added to the principal of the fund. In 1988, the Association purchased the building that currently houses its national headquarters. Building improvements are provided for by the fund. The Association made general fund transfers to the Building Fund of \$10,000 during 2011 and 2010. At June 30, 2011 and 2010, the Building Fund balance was \$9,167 and \$6,989, respectively.

Other funds set aside by the Board for special programs were \$0 and \$14,884 at June 30, 2011 and 2010, respectively.

14. Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following programs:

	<u>2011</u>	<u>2010</u>
Operation Peer Support	\$ 81,268	\$ 70,016
Direct program activities (*)	700,000	-
Convention fund	46,508	-
Music program	-	14
	<u>\$ 827,776</u>	<u>\$ 70,030</u>

(*) The Association received a \$700,000 bequest during 2011. The funds are restricted for use towards direct program expenses only, and none of the proceeds can be used for the payment of overhead expenses.

15. Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Association's financial statements for 2010, from which the summarized information was derived.

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