

Audited Financial Statements

Texas School for the Deaf Foundation

*For the Fiscal Years Ended August 31, 2012 and 2011
with Report of Independent Auditors*

Texas School for the Deaf Foundation

Audited Financial Statements

For the Fiscal Years Ended August 31, 2012 and 2011

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Reynolds & Franke, PC

CERTIFIED PUBLIC ACCOUNTANTS

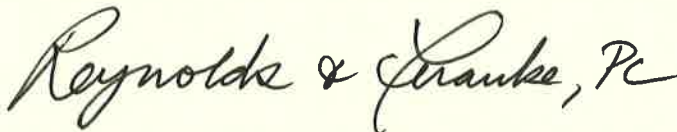
Report of Independent Auditors

To the Board of Directors
Texas School for the Deaf Foundation
Austin, Texas

We have audited the accompanying statements of financial position of the Texas School for the Deaf Foundation (the Foundation) as of August 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation'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 audits 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 Texas School for the Deaf Foundation as of August 31, 2012 and 2011, and the changes in its net assets and cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.



March 1, 2013

Financial Statements

Texas School for the Deaf Foundation

Statements of Financial Position

August 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 121,789	\$ 104,139
Grants receivable – restricted	-	10,000
Total current assets	<u>121,789</u>	<u>114,139</u>
Donated asset	13,000	13,000
Restricted cash	1,450	7,892
Restricted investments	111,730	108,413
Board-designated investments	<u>484,043</u>	<u>283,361</u>
Total assets	<u>\$ 732,012</u>	<u>\$ 526,805</u>
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 1,144	\$ 681
Total current liabilities	<u>1,144</u>	<u>681</u>
Net Assets:		
Board-designated endowment fund	484,043	283,361
Undesignated	133,645	116,458
Total Unrestricted	<u>617,688</u>	<u>399,819</u>
Temporarily restricted	4,767	17,892
Permanently restricted	108,413	108,413
Total net assets	<u>730,868</u>	<u>526,124</u>
Total liabilities and net assets	<u>\$ 732,012</u>	<u>\$ 526,805</u>

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

Texas School for the Deaf Foundation

Statements of Activities
For the Fiscal Year Ended August 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support, revenue and reclassifications				
Contributions	\$ 342,246	\$ 2,065	\$ —	\$ 344,311
In-kind contributions	123,271	—	—	123,271
Fundraising/special events	88,368	—	—	88,368
Investment earnings	21,961	6,437	—	28,398
Amounts released from restrictions	19,450	(19,450)	—	—
Total support, revenue and reclassifications	595,296	(10,948)	—	584,348
Expenses:				
Program services	243,277	—	—	243,277
Management, general & administrative	35,027	—	—	35,027
Fundraising	101,300	—	—	101,300
Total expenses	379,604	—	—	379,604
Total change in net assets	215,692	(10,948)	—	204,744
Interfund transfers	2,177	(2,177)	—	—
Net assets, beginning of year	399,819	17,892	108,413	526,124
Net assets, end of year	\$ 617,688	\$ 4,767	\$ 108,413	\$ 730,868

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

Texas School for the Deaf Foundation

Statements of Activities (continued)

For the Fiscal Year Ended August 31, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support, revenue and reclassifications				
Contributions	\$ 104,350	\$ 51,656	\$ —	\$ 156,006
In-kind contributions	104,675	—	—	104,675
Fundraising/special events	64,665	—	—	64,665
Investment earnings	20,893	2,023	—	22,916
Amounts released from restrictions	93,746	(93,746)	—	—
Total support, revenue and reclassifications	388,329	(40,067)	—	348,262
Expenses				
Program services	92,332	—	—	92,332
Management, general & administrative	34,674	—	—	34,674
Fundraising	163,585	—	—	163,585
Total expenses:	290,591	—	—	290,591
Total change in net assets	97,738	(40,067)	—	57,671
Net assets, beginning of year	302,081	57,959	108,413	468,453
Net assets, end of year	\$ 399,819	\$ 17,892	\$ 108,413	\$ 526,124

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

Texas School for the Deaf Foundation

Statements of Cash Flows

For the Fiscal Years Ended August 31, 2012 and 2011

	2012	2011
Cash flows from operating activities		
Change in net assets	\$ 204,744	\$ 57,671
Adjustments to reconcile change in net assets to cash flows from operating activities:		
Unrealized gain on investments	(17,605)	(16,989)
Noncash donation of asset	-	(13,000)
Decrease (increase) in:		
Grants receivable – restricted	10,000	(10,000)
Deposits	-	500
Increase (decrease) in:		
Accounts payable	463	(3,986)
Accounts payable – restricted	-	(19,451)
Scholarships due	-	(4,000)
Scholarships due – restricted	-	(6,650)
Net cash provided by (used in) operating activities	197,602	(15,905)
Cash flows from investing activities		
Purchase of investments, net	(186,394)	(7,059)
Change in restricted cash	6,442	74,734
Net cash provided by (used in) investing activities	(179,952)	67,675
Net increase in cash	17,650	51,770
Cash and cash equivalents at beginning of year	104,139	52,369
Cash and cash equivalents at end of year	\$ 121,789	\$ 104,139

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

Texas School for the Deaf Foundation

Notes to Financial Statements

For the Fiscal Years Ended August 31, 2012 and 2011

Note 1 – Summary of Significant Accounting Policies

Organization

The Texas School for the Deaf Foundation (the “Foundation”) is a nonprofit organization that was established in May 2000. The primary purpose of the Foundation is enriching and maximizing the quality of education available to deaf and hard of hearing students in Texas and beyond by providing funding not available through traditional local, state and federal resources. The Foundation’s revenues are primarily generated from individual and business contributions.

Basis of Accounting

The financial statements of the Foundation are prepared using the accrual basis of accounting generally accepted in the United States of America. Under the accrual basis, revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recorded in the accounting period incurred.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Long-Term Investments

Long-term investments are carried at market value. Gains or losses on investments are recognized at time of sale. Unrealized gains or losses are also recognized on the Statements of Activities.

Texas School for the Deaf Foundation

Notes to Financial Statements (continued) *For the Fiscal Years Ended August 31, 2012 and 2011*

Note 1 – Summary of Significant Accounting Policies (continued)

Income Taxes

Texas School for the Deaf Foundation is a tax exempt not-for-profit organization described in Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on earnings received from exempt functions. The Foundation has been classified as a supporting organization of the Texas School for the Deaf (TSD) under Section 509(a)(3) and as such is not a private foundation.

The most significant tax position of the Foundation is its determination of whether any amounts are subject to unrelated business income tax (UBIT). Management has determined the Foundation had no activities subject to UBIT in the fiscal years ended August 31, 2012 or 2011. All significant tax positions have been considered by management and it has determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities.

The Foundation is required to file either the Form 990 (Return of Organization Exempt from Income Tax) or Form 990-EZ (Short Form Return of Organization Exempt from Income Tax), which is subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of the tax return. The Forms 990-EZ for 2008 through 2010 are open to examination by the IRS as of August 31, 2012.

Net Assets

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. The financial statement presentation follows the recommendation of the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC 958), that net assets be classified and reported as follows:

Unrestricted net assets – These types of net assets are not subject to donor-imposed stipulations. This also includes Board-designated net assets for specific purposes, since these restrictions may be reversed by the Board at anytime in the future.

Temporarily restricted net assets – These types of net assets are subject to donor-imposed stipulations, which limit their use to a specific purpose and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions.

Texas School for the Deaf Foundation

Notes to Financial Statements (continued) *For the Fiscal Years Ended August 31, 2012 and 2011*

Note 1 – Summary of Significant Accounting Policies (continued)

Net Assets (continued)

Permanently restricted net assets – These types of net assets are subject to donor-imposed stipulations, which require them to be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific use.

Financial Instruments

The Foundation follows FASB ASC 820, *Fair Value Measurements and Disclosures*, which relates to the Foundation's financial assets and liabilities carried at fair value and the Foundation's fair value disclosures related to financial assets and liabilities. FASB ASC 820 defines fair value, expands related disclosure requirements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

There are three levels of inputs to fair value measurements - Level 1, meaning the use of quoted prices for identical instruments in active markets; Level 2, meaning the use of quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active or are directly or indirectly observable; and Level 3, meaning the use of unobservable inputs.

The Foundation's financial instruments consist principally of cash and cash equivalents, restricted investments, and investments. The Foundation believes all of the financial instruments' recorded values approximate current market values.

Contributions

In accordance with FASB ASC 958, the Foundation reports gifts of cash and other assets as restricted net assets, if they are received with donor stipulations that limit the use of the donated assets. When donor restrictions expire, that is, when a stipulated time restriction ends or restricted purpose is accomplished, the related temporarily restricted net assets are reclassified to unrestricted net assets. This is reported in the Statements of Activities as net assets released from restrictions. Donated assets and services are recorded at their estimated fair market values at the date of receipt.

Texas School for the Deaf Foundation

Notes to Financial Statements (continued)
For the Fiscal Years Ended August 31, 2012 and 2011

Note 2 – Date of Management’s Review

In preparing the financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through March 1, 2013, the date the financial statements were available to be issued.

Note 3 – Functional Allocation of Expenses

The Foundation records its revenues and expenses on a functional basis, allocating between program services, management, general & administrative, and fundraising purposes. Expenses that can be identified with a specific program are allocated directly to that program. Management, general & administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

The following schedules show the functional allocation of expenses for the fiscal years ended August 31, 2012 and 2011:

2012	Program Services	Fundraising	Management, General & Administrative	Total
Allocations to TSD	\$ 135,014	\$ –	\$ –	\$ 135,014
Board expenses	–	–	3,248	3,248
Bank fees	–	–	8,193	8,193
Contract services/ employment	17,013	28,250	11,300	56,563
Donated services	86,000	37,271	–	123,271
Fundraising expense	–	32,724	–	32,724
Professional fees	–	–	11,050	11,050
Scholarships and awards	5,250	–	–	5,250
Supplies	–	3,055	1,236	4,291
	\$ 243,277	\$ 101,300	\$ 35,027	\$ 379,604

Texas School for the Deaf Foundation

Notes to Financial Statements (continued)
For the Fiscal Years Ended August 31, 2012 and 2011

Note 3 – Functional Allocation of Expenses (continued)

2011	Program Services	Fundraising	Management, General & Administrative	Total
Allocations to TSD	\$ 59,804	\$ –	\$ –	\$ 59,804
Board expenses	–	–	4,427	4,427
Bank fees	–	–	3,311	3,311
Computer services	–	–	2,000	2,000
Contract services/ employment	17,115	28,525	11,410	57,050
Donated services	–	104,675	–	104,675
Fundraising expense	2,500	15,052	–	17,552
Postage	–	1,188	1,088	2,276
Professional fees	–	9,591	9,764	19,355
Scholarships and awards	10,180	–	–	10,180
Supplies	2,733	4,554	2,674	9,961
	<u>\$ 92,332</u>	<u>\$ 163,585</u>	<u>\$ 34,674</u>	<u>\$ 290,591</u>

Note 4 – Investments

Total investments at August 31, 2012 and 2011 consisted of the following:

2012	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Money funds	\$ 20,262	\$ –	\$ 8,330	\$ 28,592
Mutual funds – fixed income	215,498	1,120	46,766	263,384
Mutual funds – equities	248,283	2,197	53,317	303,797
Total investments	<u>\$ 484,043</u>	<u>\$ 3,317</u>	<u>\$ 108,413</u>	<u>\$ 595,773</u>

2011	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Money funds	\$ 13,057	\$ –	\$ 3,120	\$ 16,177
Mutual funds – fixed income	123,520	–	–	123,520
Mutual funds – equities	146,784	–	105,293	252,077
Total investments	<u>\$ 283,361</u>	<u>\$ –</u>	<u>\$ 108,413</u>	<u>\$ 391,774</u>

Texas School for the Deaf Foundation

Notes to Financial Statements (continued)
For the Fiscal Years Ended August 31, 2012 and 2011

Note 4 – Investments (continued)

The following schedules summarize investment earnings and its classification in the Statements of Activities for the years ended August 31, 2012 and 2011:

2012	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 6,936	\$ 3,857	\$ 10,793
Unrealized and realized gains	15,025	2,580	17,605
Total investment earnings	<u>\$ 21,961</u>	<u>\$ 6,437</u>	<u>\$ 28,398</u>

2011	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 4,585	\$ 1,342	\$ 5,927
Unrealized and realized gains	16,308	681	16,989
Total investment earnings	<u>\$ 20,893</u>	<u>\$ 2,023</u>	<u>\$ 22,916</u>

Note 5 – Endowment Fund / Permanently Restricted Net Assets

During the year ended August 31, 2007, the Foundation received an initial contribution of \$100,000 to be held as a permanently restricted scholarship endowment fund. During the year ended August 31, 2008, the Foundation received an additional contribution to the permanently restricted scholarship endowment fund of \$8,413 bringing the total permanently restricted endowment fund to \$108,413. Per the donor’s wishes, the income generated from this endowment is to be used to provide scholarships to individuals attending the Texas School for the Deaf and therefore is reflected as temporarily restricted within the Statements of Activities.

The Foundation’s endowment fund follows the Uniform Management of Institutional Funds Act of 2006 (“UMPMIFA”). The Board of Directors has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As such, the endowment fund seeks to preserve the purchasing power of the principal, and to provide for the long-term growth of the endowment. In order to achieve this objective, the Foundation has developed investment spending policies that will provide a growing stream of current income and appreciation of principal above and beyond inflation.

Texas School for the Deaf Foundation

Notes to Financial Statements (continued)

For the Fiscal Years Ended August 31, 2012 and 2011

Note 5 – Endowment Fund / Permanently Restricted Net Assets (continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. Deficiencies of this nature that were reported in unrestricted net assets as of August 31, 2011 were \$4,677. These deficiencies resulted from unfavorable market fluctuations after the continued appropriation for certain programs that were deemed prudent by the Board of Directors. No such deficiencies existed as of August 31, 2012.

In addition, the Foundation’s Board of Directors agreed to increase the endowment fund by the unrestricted portion of the investment funds. As of August 31, 2012 and 2011, the Board-designated portion of the endowment fund is \$484,043 and \$286,481, respectively.

Endowment net assets by type of fund consist of the following at August 31, 2012:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	\$ –	\$ 3,317	\$ 108,413	\$ 111,730
Board-designated funds	484,043	–	–	484,043
	<u>\$ 484,043</u>	<u>\$ 3,317</u>	<u>\$ 108,413</u>	<u>\$ 595,773</u>

Changes in endowment net assets for the fiscal year ended August 31, 2012:

2012	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 286,481	\$ 1,557	\$ 108,413	\$ 396,451
Investment return:				
Interest and dividends	6,936	3,857	–	10,793
Net gains (losses) – realized and unrealized	15,025	2,580	–	17,605
Total investment return	21,961	6,437	–	28,398
Transfers and Fees	175,601	(2,177)	–	173,424
Appropriation for expenditure	–	(2,500)	–	(2,500)
Endowment net assets, end of year	<u>\$ 484,043</u>	<u>\$ 3,317</u>	<u>\$ 108,413</u>	<u>\$ 595,773</u>

Texas School for the Deaf Foundation

Notes to Financial Statements (continued)

For the Fiscal Years Ended August 31, 2012 and 2011

Note 5 – Endowment Fund / Permanently Restricted Net Assets (continued)

Endowment net assets by type of fund consist of the following at August 31, 2011:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted funds	\$ –	\$ 1,557	\$ 108,413	\$ 109,970
Board-designated funds	286,481	–	–	286,481
	<u>\$ 286,481</u>	<u>\$ 1,557</u>	<u>\$ 108,413</u>	<u>\$ 396,451</u>

Changes in endowment net assets for the fiscal year ended August 31, 2011:

2011	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	\$ 257,879	\$ 2,034	\$ 108,413	\$ 368,326
Investment return:				
Interest and dividends	4,585	1,342	–	5,927
Net gains (losses) – realized and unrealized	16,308	681	–	16,989
Total investment return	20,893	2,023	–	22,916
Contributions/Designations	7,709	–	–	7,709
Appropriation for expenditure	–	(2,500)	–	(2,500)
Endowment net assets, end of year	<u>\$ 286,481</u>	<u>\$ 1,557</u>	<u>\$ 108,413</u>	<u>\$ 396,451</u>

Texas School for the Deaf Foundation

Notes to Financial Statements (continued)
 For the Fiscal Years Ended August 31, 2012 and 2011

Note 6 – Temporarily Restricted Net Assets

The Foundation had the following temporarily restricted activity during the years ended August 31, 2012 and 2011:

2012	Beginning Balance	Donations and Interest Received	Released from Restrictions	Transfers	Ending Balance
Temporarily Restricted Activities:					
Scholarships	\$ 1,557	\$ 6,437	\$ (2,500)	\$ (2,177)	\$ 3,317
Special Needs Department	5,000	-	(5,000)	-	-
Amber Farrelly	-	1,200	-	-	1,200
DZ	385	865	(1,000)	-	250
Mitte Grant	10,950	-	(10,950)	-	-
	\$ 17,892	\$ 8,502	\$ (19,450)	\$ (2,177)	\$ 4,767

2011	Beginning Balance	Donations and Interest Received	Released from Restrictions	Transfers	Ending Balance
Temporarily Restricted Activities:					
Scholarships	\$ 2,034	\$ 2,023	\$ (2,500)	\$ -	\$ 1,557
Special Needs Department	549	31,271	(26,820)	-	5,000
Meadows Grant	55,376	-	(55,376)	-	-
DZ	-	385	-	-	385
Mitte Grant	-	20,000	(9,050)	-	10,950
	\$ 57,959	\$ 53,679	\$ (93,746)	\$ -	\$ 17,982

Note 7 – Concentrations

Financial instruments which potentially subject the Foundation to credit risk principally consist of cash and investments. To minimize this risk, the Foundation places its temporary cash investments with high credit quality financial institutions insured by the FDIC. Deposit insurance coverage by the FDIC at August 31, 2012 entails (a) unlimited coverage for non-interest bearing bank accounts and (b) \$250,000 per bank per entity for interest-bearing bank accounts under the FDIC general deposit insurance rules. These coverage terms are in effect until December 31, 2012. There were no amounts over the insured portion as of August 31, 2012 and 2011. The Foundation has not experienced any losses in such accounts in the past.

Texas School for the Deaf Foundation

Notes to Financial Statements (continued) For the Fiscal Years Ended August 31, 2012 and 2011

Note 7 – Concentrations (continued)

Beginning January 1, 2013, deposit insurance coverage by the FDIC will change to \$250,000 per bank per entity for all interest bearing and non-interest bearing accounts.

Note 8 – In-Kind Contributions

During the years ended August 31, 2012 and 2011, the Foundation received donated professional services from an advertising and marketing agency to be used for fundraising purposes. This is considered a non-cash contribution and is reported as in-kind contributions in the Statements of Activities. For the years ended August 31, 2012 and 2011, the estimated value of these contributed services was \$37,271 and \$104,675, respectively. During the year end August 31, 2012, the Foundation additionally received donated professional services from a painting company which was used for grounds up keep at Texas School for the Deaf. This is considered a non-cash contribution and is reported as in-kind contribution in the Statements of Activities. For the year ended August 31, 2012, the estimated value of these contributed services was \$86,000.

Note 9 - Fair Value Measurements

The following table sets forth by level within the fair value hierarchy the Foundation's assets that are measured at fair value on a recurring basis at August 31, 2012:

2012	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Donated asset	\$ -	\$ -	\$ 13,000	\$ 13,000
Restricted investments:				
Money funds	8,330	-	-	8,330
Mutual funds - equities	103,400	-	-	103,400
Board-designated investments:				
Money funds	20,261	-	-	20,261
Mutual funds – fixed income	215,499	-	-	215,499
Mutual funds – equities	248,283	-	-	248,283
	<u>\$ 595,773</u>	<u>\$ -</u>	<u>\$ 13,000</u>	<u>\$ 608,773</u>

Texas School for the Deaf Foundation

Notes to Financial Statements (continued)
For the Fiscal Years Ended August 31, 2012 and 2011

Note 9 - Fair Value Measurements (continued)

The following table sets forth by level within the fair value hierarchy the Foundation's assets that are measured at fair value on a recurring basis at August 31, 2011:

2011	Quoted Prices in Active Markets for Identical (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Donated asset	\$ -	\$ -	\$ 13,000	\$ 13,000
Restricted investments:				
Money funds	3,120	-	-	3,120
Certificates of deposit	105,293	-	-	105,293
Board-designated investments:				
Money funds	13,057	-	-	13,057
Mutual funds – fixed income	123,520	-	-	123,520
Mutual funds – equities	146,784	-	-	146,784
	<u>\$ 391,774</u>	<u>\$ -</u>	<u>\$ 13,000</u>	<u>\$ 404,774</u>

The table below presents additional information about assets measured at fair value at August 31, 2012 and 2011 on a recurring basis by reliance on Level 3 inputs to determine fair value.

Donated Asset	2012	2011
Beginning balance	\$ 13,000	\$ -
Total realized and unrealized gains and losses included in earnings	-	-
Purchases, donations, and settlements	-	13,000
Ending Balance	<u>\$ 13,000</u>	<u>\$ 13,000</u>

The donated asset is valued based on the opinion of an independent appraiser as to the current replacement value of the donated asset.