

**THE AMERICAN INDIA FOUNDATION**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**MARCH 31, 2015 AND 2014**

# THE AMERICAN INDIA FOUNDATION

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The American India Foundation

We have audited the accompanying financial statements of The American India Foundation (a not-for-profit organization), which comprise the statements of financial position as of March 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**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, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Lotz + Carr, LLP*

New York, New York  
September 3, 2015

**THE AMERICAN INDIA FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash and cash equivalents (Notes 1c and 3)	\$3,003,846	\$1,612,466
Investments (Notes 1e, 1f and 4)	3,760,021	4,050,450
Unconditional promises to give (Notes 1d and 5)	1,086,101	1,117,517
Prepaid expenses and other assets	147,390	135,722
Property and equipment, net of accumulated depreciation (Notes 1g and 6)	<u>43,179</u>	<u>61,837</u>
<b>Total Assets</b>	<u><u>\$8,040,537</u></u>	<u><u>\$6,977,992</u></u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 418,957	\$ 352,676
Accounts payable - AIFT (Note 1b)	222,565	-
Refundable event receipts	45,000	220,500
Refundable deposits held	<u>14,250</u>	<u>15,250</u>
Total Liabilities	<u>700,772</u>	<u>588,426</u>
Commitment (Note 8)		
Net Assets		
Unrestricted	3,339,495	3,103,409
Temporarily restricted (Note 2a)	3,400,270	2,686,157
Permanently restricted (Note 2b)	<u>600,000</u>	<u>600,000</u>
Total Net Assets	<u>7,339,765</u>	<u>6,389,566</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$8,040,537</u></u>	<u><u>\$6,977,992</u></u>

See notes to financial statements.

**THE AMERICAN INDIA FOUNDATION**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED MARCH 31, 2015 AND 2014**

	2015			2014				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Changes in Net Assets</b>								
Support and Revenue								
Contributions and grants	\$ 1,143,015	\$ 1,632,299	\$ -	\$2,775,314	\$ 1,237,155	\$ 615,751	\$ -	\$1,852,906
Benefit income	4,814,610	-	-	4,814,610	5,233,261	-	-	5,233,261
Less: Direct benefit expenses	(849,739)	-	-	(849,739)	(891,321)	-	-	(891,321)
Unrealized gain (loss) on investments	1,524	-	-	1,524	(5,866)	-	-	(5,866)
Interest and dividend income	7,215	-	-	7,215	15,802	-	-	15,802
Other income	40,401	-	-	40,401	41,434	-	-	41,434
	<u>5,157,026</u>	<u>1,632,299</u>	<u>-</u>	<u>6,789,325</u>	<u>5,630,465</u>	<u>615,751</u>	<u>-</u>	<u>6,246,216</u>
Net assets released from restrictions								
Satisfaction of time and program restrictions	918,186	(918,186)	-	-	1,028,263	(1,028,263)	-	-
	<u>6,075,212</u>	<u>714,113</u>	<u>-</u>	<u>6,789,325</u>	<u>6,658,728</u>	<u>(412,512)</u>	<u>-</u>	<u>6,246,216</u>
Expenses								
Program Services	4,498,755	-	-	4,498,755	4,723,075	-	-	4,723,075
Supporting Services								
Management and general	467,741	-	-	467,741	516,468	-	-	516,468
Fundraising	872,630	-	-	872,630	910,155	-	-	910,155
Total Supporting Services	<u>1,340,371</u>	<u>-</u>	<u>-</u>	<u>1,340,371</u>	<u>1,426,623</u>	<u>-</u>	<u>-</u>	<u>1,426,623</u>
Total Expenses	<u>5,839,126</u>	<u>-</u>	<u>-</u>	<u>5,839,126</u>	<u>6,149,698</u>	<u>-</u>	<u>-</u>	<u>6,149,698</u>
Increase (decrease) in net assets	236,086	714,113	-	950,199	509,030	(412,512)	-	96,518
Net assets, beginning of year	<u>3,103,409</u>	<u>2,686,157</u>	<u>600,000</u>	<u>6,389,566</u>	<u>2,594,379</u>	<u>3,098,669</u>	<u>600,000</u>	<u>6,293,048</u>
<b>Net Assets, End of Year</b>	<u>\$ 3,339,495</u>	<u>\$ 3,400,270</u>	<u>\$ 600,000</u>	<u>\$7,339,765</u>	<u>\$ 3,103,409</u>	<u>\$ 2,686,157</u>	<u>\$ 600,000</u>	<u>\$6,389,566</u>

See notes to financial statements.

**THE AMERICAN INDIA FOUNDATION**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED MARCH 31, 2015 AND 2014**

	<u>2015</u>	<u>2014 *</u>
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 950,199	\$ 96,518
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	25,525	27,739
Unrealized (gain) loss on investments	(1,524)	5,866
Bad debt expense	-	50,000
(Increase) decrease in:		
Unconditional promises to give	31,416	(632,783)
Prepaid expenses and other assets	(11,668)	77,548
Increase (decrease) in:		
Accounts payable and accrued expenses	66,281	188,960
Accounts payable - AIFT	222,565	(1,100)
Refundable event receipts	(175,500)	220,500
Refundable deposits held	(1,000)	1,000
Net Cash Provided By Operating Activities	<u>1,106,294</u>	<u>34,248</u>
 <b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment	(6,867)	(15,455)
Purchases of investments	(208,527)	(1,138,063)
Proceeds from sale of investments	<u>500,480</u>	<u>890,279</u>
Net Cash Provided (Used) By Investing Activities	<u>285,086</u>	<u>(263,239)</u>
 Net increase (decrease) in cash and cash equivalents	1,391,380	(228,991)
Cash and cash equivalents, beginning of year	<u>1,612,466</u>	<u>1,841,457</u>
 <b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$3,003,846</u></u>	<u><u>\$1,612,466</u></u>

\* Certain amounts have been reclassified for comparability.

See notes to financial statements.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

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

a - Organization

The American India Foundation (“AIF” or the “Organization”) 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” or “AIFT”) 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.

Grants to the Trust from AIF, to support program related expenses, totaled \$1,610,194 and \$2,192,742 for the years ended March 31, 2015 and 2014, respectively (see Note 7). At March 31, 2015, there was a balance payable to the Trust of \$222,565.

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 AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

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

d - Contributions and Unconditional Promises to Give (continued)

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

e - Fair Value Measurements

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). Fair value measurements are not adjusted for transaction costs. The fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value into three levels.

Unadjusted quoted prices in active markets for identical assets and 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 based on available information about what market participants would use in valuing the asset or liability and are referred to as Level 3 inputs.

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. The investment managers use judgment in determining fair value of assets and liabilities. Level 3 assets and liabilities involve greater judgment than Level 1 or Level 2 assets or liabilities.

All of the Organization's marketable investments are classified within Level 1 (prices in active markets for identical assets or liabilities) of the fair value hierarchy.

f - Investments

The Organization reflects its marketable investments at fair value in the statement of financial position. Restricted stock is reflected at the appraised value at the time of donation. Interest, dividends, and 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.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

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

- f - Investments (continued)  
Purchases and sales of investments reflected in the statement of cash flows are reported net of short-term investments with maturities of three months or less.
- g - 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.
- h - 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.
- i - 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.
- j - 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. Management evaluated all income tax positions, including the position that AIF is exempt from income taxes or not subject to income taxes on unrelated business income, and concluded that no disclosures relating to uncertain tax positions are required in the financial statements. The Organization's tax returns are generally subject to examination by taxing authorities for a period of three years from the date of filing.
- k - Subsequent Events  
The Organization has evaluated subsequent events through September 3, 2015, the date that the financial statements are considered available to be issued.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

**Note 2 - Restrictions on Assets**

a - Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted for the following purposes:

	<u>2015</u>	<u>2014</u>
Public health	\$ 979,747	\$ 43,004
Donor advised funds	887,550	958,723
Digital equalizer	513,987	797,601
Gender program	361,955	361,955
Livelihood	262,866	186,865
LAMP	194,258	-
Future periods	100,819	162,969
Education	32,484	100,000
Uttarakhand relief fund	44,201	74,040
Kashmir flood fund	22,101	-
Priya Haji memorial fund	302	-
O3 program	-	1,000
	<u>\$3,400,270</u>	<u>\$2,686,157</u>

b - Endowment Funds

The Organization's endowment consists of two funds established for general support. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Consistent with New York Prudent Management of Institutional Funds Act (NYPMIFA), 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 remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

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

b - Endowment Funds (continued)

In accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (i) the duration and preservation of the endowment fund;
- (ii) the purposes of the Organization and the endowment fund;
- (iii) general economic conditions;
- (iv) the possible effect of inflation or deflation;
- (v) the expected total return from income and the appreciation of investments;
- (vi) other resources of the Organization;
- (vii) where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Organization; and
- (viii) the investment policy of the Organization

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

Changes in the Organization's endowment funds for the years ended March 31, 2015 and 2014 are summarized as follows:

	<u>2015</u>		
	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment funds, beginning of year	\$ -	\$600,000	\$600,000
Investment Return:			
Investment income	129	-	129
Net unrealized loss on investments	11	-	11
Total Investment Return	<u>140</u>	<u>-</u>	<u>140</u>
Appropriation of endowment assets to operations	<u>(140)</u>	<u>-</u>	<u>(140)</u>
Endowment Funds, End of Year	<u>\$ -</u>	<u>\$600,000</u>	<u>\$600,000</u>

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

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

b - Endowment Funds (continued)

	<u>2014</u>		
	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment funds, beginning of year	\$ -	\$600,000	\$600,000
Investment Return:			
Investment income	3,109	-	3,109
Net unrealized loss on investments	<u>(1,404)</u>	<u>-</u>	<u>(1,404)</u>
Total Investment Return	<u>1,705</u>	<u>-</u>	<u>1,705</u>
Appropriation of endowment assets to operations	<u>(1,705)</u>	<u>-</u>	<u>(1,705)</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.

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.

AIF has taken a conservative view of protecting capital and has been primarily investing in Money Markets, Treasuries and FDIC insured CD's based on the guidelines set by the Finance Committee.

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

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

**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 are reflected at the carrying value and consist of the following at March 31:

	<u>2015</u>		<u>2014</u>	
	<u>Cost</u>	<u>Carrying Value</u>	<u>Cost</u>	<u>Carrying Value</u>
Cash and money market funds	\$3,600,458	\$3,600,458	\$3,892,410	\$3,892,410
Corporate bonds	100,000	102,200	100,000	100,680
Equities	<u>5,303</u>	<u>23</u>	<u>5,304</u>	<u>20</u>
Investments, Level 1, carried at fair value	3,705,761	3,702,681	3,997,714	3,993,110
Restricted stock, valued at appraised value at time of donation	<u>57,340</u>	<u>57,340</u>	<u>57,340</u>	<u>57,340</u>
	<u>\$3,763,101</u>	<u>\$3,760,021</u>	<u>\$4,055,054</u>	<u>\$4,050,450</u>

In fiscal year 2012, The American India Foundation received a donation of stock in a privately held company, which is not marketable. The shares are reflected at the appraisal value at the date of donation. Sale of this stock is subject to restrictions.

Net investment income is summarized as follows for the years ended March 31:

	<u>2015</u>	<u>2014</u>
Interest and dividend income	\$7,215	\$15,802
Unrealized gain (loss) on investments	<u>1,524</u>	<u>(5,866)</u>
	<u>\$8,739</u>	<u>\$ 9,936</u>

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

**Note 5 - Unconditional Promises to Give**

Unconditional promises to give at March 31, 2015 and 2014 are summarized as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>		<u>2015</u>	<u>2014</u>
		<u>Future</u>	<u>Future</u>	<u>Total</u>	<u>Total</u>
		<u>Programs</u>	<u>Periods</u>		
Less than one year	\$689,378	\$201,644	\$ 72,541	\$ 963,563	\$1,031,549
One to three years	-	100,000	30,000	130,000	92,077
Less: Discount to present value	<u>-</u>	<u>(5,740)</u>	<u>(1,722)</u>	<u>(7,462)</u>	<u>(6,109)</u>
2015 Total	<u>\$689,378</u>	<u>\$295,904</u>	<u>\$100,819</u>	<u>\$1,086,101</u>	
2014 Total	<u>\$954,548</u>	<u>\$ -</u>	<u>\$162,969</u>		<u>\$1,117,517</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 3%.

**Note 6 - Property and Equipment**

Property and equipment consist of the following:

	<u>Life</u>	<u>2015</u>	<u>2014</u>
Computer equipment	3-5 years	\$ 69,637	\$ 62,770
Website	3 years	<u>50,507</u>	<u>50,507</u>
		120,144	113,277
Less: Accumulated depreciation		<u>(76,965)</u>	<u>(51,440)</u>
		<u>\$ 43,179</u>	<u>\$ 61,837</u>

Depreciation expense for the years ended March 31, 2015 and 2014 was \$25,525 and \$27,739, respectively.

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

**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 enters into Memorandums of Understanding ("MOU") with the NGO's. The NGO's 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. Therefore, the unpaid balance is not reflected in these financial statements.

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

	<u>2015</u>	<u>2014</u>
Grants awarded (including Donor Advised Fund Awards)		
Education	\$ 782,720	\$ 481,067
Livelihood	489,598	350,955
Public Health	21,070	105,081
Digital Equalizer	9,620	-
	<u>1,303,008</u>	<u>937,103</u>
Grants awarded to AIF Trust		
Education	146,701	339,398
Livelihood	181,932	302,877
Public Health	64,262	69,430
Digital Equalizer	1,139,289	1,353,536
Clinton Fellows	72,949	85,382
Awareness and Engagement	5,061	42,119
	<u>1,610,194</u>	<u>2,192,742</u>
	<u>\$2,913,202</u>	<u>\$3,129,845</u>

**THE AMERICAN INDIA FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015 AND 2014**

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

MOUs are written in which each installment to be paid to a NGO is contingent upon the NGO's compliance with the requirements. The contingent balance of these MOU's as of March 31, 2015, which has not been accrued, amounted to:

Education	\$ 384,147
Livelihood	875,608
Public Health	<u>115,741</u>
	<u>\$1,375,496</u>

**Note 8 - Commitments**

AIF leases office space in New York. The lease provides for minimum annual payments as follows:

<u>Year Ending March 31,</u>	
2016	\$161,333
2017	180,436
2018	185,399
2019	190,497
2020	195,902
Thereafter, through April 30, 2020	16,348

Rent expense for the years ended March 31, 2015 and 2014 was \$204,401 and \$244,621, respectively.

**Note 9 - Functional Allocation of Expenses**

The cost of providing the various program 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.

**SUPPLEMENTARY INFORMATION**



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**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY INFORMATION**

To the Board of Directors of  
The American India Foundation

We have audited the financial statements of The American India Foundation as of and for the years ended March 31, 2015 and 2014, and our report thereon dated September 3, 2015, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Functional Expenses for the year ended March 31, 2015 with comparative totals for 2014 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Lutz + Carr, LLP*

New York, New York  
September 3, 2015

## THE AMERICAN INDIA FOUNDATION

## SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2015 WITH COMPARATIVE TOTALS FOR 2014

	Program Services						Supporting Services			2015	2014	
	Education	Livelihood	Public Health	Digital Equalizer	Clinton Fellows	Engage, Educate, Inform and Involve (EEII)	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses
Grants - direct to non-governmental organizations	\$ 603,620	\$ 489,439	\$ -	\$ -	\$ -	\$ -	\$1,093,059	\$ -	\$ -	\$ -	\$1,093,059	\$ 845,633
Grants - Donor Advised Funds	179,100	159	21,070	9,620	-	-	209,949	-	-	-	209,949	91,470
Program related expenses	146,701	181,932	64,262	1,139,289	72,949	5,061	1,610,194	-	-	-	1,610,194	2,192,742
Specific programs related expenses	20,000	34,838	-	-	160,194	-	215,032	-	-	-	215,032	342,735
Salaries	52,294	26,165	26,165	72,146	30,404	276,347	483,521	195,608	178,002	373,610	857,131	928,890
Fringe benefits	19,625	7,131	7,131	24,352	8,010	82,544	148,793	62,567	68,432	130,999	279,792	327,370
Occupancy	13,308	6,659	6,659	18,361	7,737	70,329	123,053	49,781	45,300	95,081	218,134	256,847
Professional fees	5,181	2,592	2,592	7,148	3,013	27,381	47,907	19,381	17,637	37,018	84,925	65,065
Consulting fees	2,348	1,176	1,176	3,240	22,729	70,158	100,827	82,085	87,136	169,221	270,048	169,174
Telephone and internet	2,222	1,112	1,112	3,175	1,292	19,808	28,721	8,312	7,598	15,910	44,631	42,782
Office supplies and related expenses	920	460	460	1,270	12,992	10,087	26,189	3,445	25,018	28,463	54,652	35,713
Repairs and maintenance	971	486	486	1,340	565	5,132	8,980	3,633	3,305	6,938	15,918	17,926
Travel, entertainment and lodging	2,450	926	1,227	4,034	121,066	109,489	239,192	7,919	8,989	16,908	256,100	91,433
Cultivation, digital and Young Professional events	2,625	1,313	1,313	3,622	1,526	72,299	82,698	9,819	105,539	115,358	198,056	204,455
Leadership retreat - travel and lodging	-	-	-	-	-	3,124	3,124	-	-	-	3,124	21,718
Indirect benefit expenses	-	-	-	-	-	-	-	-	303,051	303,051	303,051	320,232
Depreciation	1,557	780	780	2,148	905	8,229	14,399	5,825	5,301	11,126	25,525	27,739
Bad debts	-	-	-	-	-	-	-	-	-	-	-	50,000
Miscellaneous	4,300	2,152	2,152	15,208	3,443	35,862	63,117	19,366	17,322	36,688	99,805	117,774
<b>Total Expenses, 2015</b>	<b>\$1,057,222</b>	<b>\$ 757,320</b>	<b>\$136,585</b>	<b>\$1,304,953</b>	<b>\$446,825</b>	<b>\$ 795,850</b>	<b>\$4,498,755</b>	<b>\$ 467,741</b>	<b>\$ 872,630</b>	<b>\$1,340,371</b>	<b>\$5,839,126</b>	
<b>Total Expenses, 2014</b>	<b>\$1,008,067</b>	<b>\$ 738,110</b>	<b>\$232,178</b>	<b>\$1,658,011</b>	<b>\$527,936</b>	<b>\$ 558,773</b>	<b>\$4,723,075</b>	<b>\$ 516,468</b>	<b>\$ 910,155</b>	<b>\$1,426,623</b>		<b>\$6,149,698</b>

See independent auditors' report on supplementary information.