

THE AMERICAN INDIA FOUNDATION

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION**

MARCH 31, 2016 AND 2015

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, 2016 and 2015, 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, 2016 and 2015, 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 12, 2016

THE AMERICAN INDIA FOUNDATION
STATEMENTS OF FINANCIAL POSITION

MARCH 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents (Notes 1c and 3)	\$3,550,303	\$3,003,846
Investments (Notes 1e, 1f and 4)	4,193,521	3,760,021
Unconditional promises to give (Notes 1d and 5)	739,759	1,086,101
Prepaid expenses and other assets	172,795	147,390
Property and equipment, net of accumulated depreciation (Notes 1g and 6)	<u>39,000</u>	<u>43,179</u>
Total Assets	<u><u>\$8,695,378</u></u>	<u><u>\$8,040,537</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 299,232	\$ 418,957
Accounts payable - AIFT (Note 1b)	263,688	222,565
Refundable event receipts	195,827	45,000
Refundable deposits held	<u>6,750</u>	<u>14,250</u>
Total Liabilities	<u><u>765,497</u></u>	<u><u>700,772</u></u>
Commitment (Note 8)		
Net Assets		
Unrestricted	1,862,212	3,339,495
Temporarily restricted (Note 2a)	5,467,669	3,400,270
Permanently restricted (Note 2b)	<u>600,000</u>	<u>600,000</u>
Total Net Assets	<u><u>7,929,881</u></u>	<u><u>7,339,765</u></u>
Total Liabilities and Net Assets	<u><u>\$8,695,378</u></u>	<u><u>\$8,040,537</u></u>

See notes to financial statements.

THE AMERICAN INDIA FOUNDATION
STATEMENTS OF ACTIVITIES
YEARS ENDED MARCH 31, 2016 AND 2015

	2016			2015				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Changes in Net Assets								
Support and Revenue								
Contributions and grants	\$ 865,252	\$ 2,688,527	\$ -	\$3,553,779	\$ 1,143,015	\$ 1,632,299	\$ -	\$2,775,314
Benefit income	3,837,328	-	-	3,837,328	4,814,610	-	-	4,814,610
Less: Direct benefit expenses	(639,277)	-	-	(639,277)	(849,739)	-	-	(849,739)
Unrealized gain on investments	671	-	-	671	1,524	-	-	1,524
Interest and dividend income	7,187	-	-	7,187	7,215	-	-	7,215
Other income	53,863	-	-	53,863	40,401	-	-	40,401
	<u>4,125,024</u>	<u>2,688,527</u>	<u>-</u>	<u>6,813,551</u>	<u>5,157,026</u>	<u>1,632,299</u>	<u>-</u>	<u>6,789,325</u>
Net assets released from restrictions								
Satisfaction of time and program restrictions	621,128	(621,128)	-	-	918,186	(918,186)	-	-
	<u>4,746,152</u>	<u>2,067,399</u>	<u>-</u>	<u>6,813,551</u>	<u>6,075,212</u>	<u>714,113</u>	<u>-</u>	<u>6,789,325</u>
Total Support and Revenue								
Expenses								
Program Services	4,867,945	-	-	4,867,945	4,498,755	-	-	4,498,755
Supporting Services								
Management and general	460,472	-	-	460,472	467,741	-	-	467,741
Fundraising	895,018	-	-	895,018	872,630	-	-	872,630
Total Supporting Services	<u>1,355,490</u>	<u>-</u>	<u>-</u>	<u>1,355,490</u>	<u>1,340,371</u>	<u>-</u>	<u>-</u>	<u>1,340,371</u>
	<u>6,223,435</u>	<u>-</u>	<u>-</u>	<u>6,223,435</u>	<u>5,839,126</u>	<u>-</u>	<u>-</u>	<u>5,839,126</u>
Total Expenses								
Increase (decrease) in net assets	(1,477,283)	2,067,399	-	590,116	236,086	714,113	-	950,199
Net assets, beginning of year	<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>
	<u>\$ 1,862,212</u>	<u>\$ 5,467,669</u>	<u>\$ 600,000</u>	<u>\$7,929,881</u>	<u>\$ 3,339,495</u>	<u>\$ 3,400,270</u>	<u>\$ 600,000</u>	<u>\$7,339,765</u>
Net Assets, End of Year								

See notes to financial statements.

THE AMERICAN INDIA FOUNDATION
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities		
Increase in net assets	\$ 590,116	\$ 950,199
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	8,630	25,525
Unrealized gain on investments	(671)	(1,524)
Bad debt expense	55,661	-
(Increase) decrease in:		
Unconditional promises to give	290,681	31,416
Prepaid expenses and other assets	(25,405)	(11,668)
Increase (decrease) in:		
Accounts payable and accrued expenses	(119,725)	66,281
Accounts payable - AIFT	41,123	222,565
Refundable event receipts	150,827	(175,500)
Refundable deposits held	(7,500)	(1,000)
Net Cash Provided By Operating Activities	<u>983,737</u>	<u>1,106,294</u>
Cash Flows From Investing Activities		
Purchase of property and equipment	(4,451)	(6,867)
Purchases of investments	(432,829)	(208,527)
Proceeds from sale of investments	-	500,480
Net Cash Provided (Used) By Investing Activities	<u>(437,280)</u>	<u>285,086</u>
Net increase in cash and cash equivalents	546,457	1,391,380
Cash and cash equivalents, beginning of year	<u>3,003,846</u>	<u>1,612,466</u>
Cash and Cash Equivalents, End of Year	<u><u>\$3,550,303</u></u>	<u><u>\$3,003,846</u></u>

See notes to financial statements.

THE AMERICAN INDIA FOUNDATION**NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2016 AND 2015****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.

AIF received 22% of its contributions from one foundation during the year ended March 31, 2016.

b - Related Organization

In January 2016, AIF updated its memorandum of understanding (“MOU”) with The American India Foundation Trust (“the Trust” or “AIFT”) located in India. The MOU includes licensing and general grant administration agreements. 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 Boards 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 \$1,859,372 and \$1,610,194 for the years ended March 31, 2016 and 2015, respectively (see Note 7). At March 31, 2016 and 2015, there was a balance payable to the Trust of \$263,688 and \$222,565, respectively.

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, if any. The allowance is based on prior years’ experience and management’s analysis of specific promises made.

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

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

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.

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.

THE AMERICAN INDIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2016 AND 2015

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

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.

k - Subsequent Events

The Organization has evaluated subsequent events through September 12, 2016, the date that the financial statements are considered available to be issued.

Note 2 - Restrictions on Assets

a - Temporarily Restricted Net Assets

Temporarily restricted net assets at March 31, 2016 and 2015 are restricted for the following purposes:

	<u>2016</u>	<u>2015</u>
Public health	\$2,588,483	\$ 979,747
Donor advised funds	994,044	887,550
Digital equalizer	679,630	513,987
LAMP	305,087	194,258
Gender program	361,955	361,955
Education	129,657	32,484
Livelihood	133,016	262,866
Chennai flood fund	87,214	-
Future periods	72,635	100,819
Uttarakhand relief fund	35,615	44,201
Nepal earthquake fund	31,084	-
IIMPACT	26,846	-
Kashmir flood fund	22,101	22,101
Priya Haji memorial fund	<u>302</u>	<u>302</u>
	<u>\$5,467,669</u>	<u>\$3,400,270</u>

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

Note 2 - Restrictions on Assets

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.

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.

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

Note 2 - Restrictions on Assets (continued)

b - Endowment Funds (continued)

Changes in the Organization's endowment funds for the years ended March 31, 2016 and 2015 are summarized as follows:

	<u>2016</u>		
	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment funds, beginning of year	\$ -	\$600,000	\$600,000
Investment Return:			
Investment income	130	-	130
Appropriation of endowment assets to operations	<u>(130)</u>	<u>-</u>	<u>(130)</u>
Endowment Funds, End of Year	<u>\$ -</u>	<u>\$600,000</u>	<u>\$600,000</u>
	<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 gain on investments	<u>11</u>	<u>-</u>	<u>11</u>
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 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.

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

Note 2 - Restrictions on Assets (continued)

b - Endowment Funds (continued)

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, corporate bonds 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.

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>2016</u>		<u>2015</u>	
	<u>Cost</u>	<u>Carrying Value</u>	<u>Cost</u>	<u>Carrying Value</u>
Cash and money market funds	\$4,033,287	\$4,033,287	\$3,600,458	\$3,600,458
Corporate bonds	100,000	102,884	100,000	102,200
Equities	5,303	10	5,303	23
Investments, Level 1, carried at fair value	4,138,590	4,136,181	3,705,761	3,702,681
Restricted stock, valued at appraised value at time of donation	57,340	57,340	57,340	57,340
	<u>\$4,195,930</u>	<u>\$4,193,521</u>	<u>\$3,763,101</u>	<u>\$3,760,021</u>

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

Note 4 - Investments (continued)

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>2016</u>	<u>2015</u>
Interest and dividend income	\$7,187	\$7,215
Unrealized gain on investments	<u>671</u>	<u>1,524</u>
	<u>\$7,858</u>	<u>\$8,739</u>

Note 5 - Unconditional Promises to Give

Unconditional promises to give at March 31, 2016 and 2015 are summarized as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>		<u>2016</u>	<u>2015</u>
		<u>Future</u>	<u>Future</u>	<u>Total</u>	<u>Total</u>
		<u>Programs</u>	<u>Periods</u>		
Less than one year	\$470,037	\$100,000	\$ 72,635	\$642,672	\$ 963,563
One to three years	-	100,000	-	100,000	130,000
Less: Discount to present value	<u>-</u>	<u>(2,913)</u>	<u>-</u>	<u>(2,913)</u>	<u>(7,462)</u>
2016 Total	<u>\$470,037</u>	<u>\$197,087</u>	<u>\$ 72,635</u>	<u>\$739,759</u>	
2015 Total	<u>\$689,378</u>	<u>\$295,904</u>	<u>\$100,819</u>		<u>\$1,086,101</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%.

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

Note 6 - Property and Equipment

Property and equipment consist of the following:

	<u>Life</u>	<u>2016</u>	<u>2015</u>
Computer equipment	3-5 years	\$ 74,088	\$ 69,637
Website	3 years	<u>50,507</u>	<u>50,507</u>
		124,595	120,144
Less: Accumulated depreciation		<u>(85,595)</u>	<u>(76,965)</u>
		<u>\$ 39,000</u>	<u>\$ 43,179</u>

Depreciation expense for the years ended March 31, 2016 and 2015 was \$8,630 and \$25,525, respectively.

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.

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

Note 7 - Grant Making Activities (continued)

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

	<u>2016</u>	<u>2015</u>
Grants awarded (including Donor Advised Fund Awards)		
Education	\$ 522,757	\$ 782,720
Livelihood	472,739	489,598
Public Health	148,425	21,070
Digital Equalizer	<u>9,331</u>	<u>9,620</u>
	<u>1,153,252</u>	<u>1,303,008</u>
 Grants awarded to AIF Trust		
Education	163,981	146,701
Livelihood	325,246	181,932
Public Health	199,302	64,262
Digital Equalizer	960,198	1,139,289
Clinton Fellows	210,645	72,949
Awareness and Engagement	<u>-</u>	<u>5,061</u>
	<u>1,859,372</u>	<u>1,610,194</u>
	<u>\$3,012,624</u>	<u>\$2,913,202</u>

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, 2016, which has not been accrued, amounted to:

Education	\$307,469
Livelihood	348,884
Public Health	<u>38,330</u>
	<u>\$694,683</u>

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2016 AND 2015

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>	
2017	\$180,436
2018	185,399
2019	190,497
2020	195,736
Thereafter, through April 30, 2020	16,348

Rent expense for the years ended March 31, 2016 and 2015 was \$178,237 and \$204,401, 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



LUTZ AND CARR

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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, 2016 and 2015, and our report thereon dated September 12, 2016, 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, 2016 with comparative totals for 2015 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 12, 2016

THE AMERICAN INDIA FOUNDATION

SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2016 WITH COMPARATIVE TOTALS FOR 2015

	Program Services						Supporting Services			2016	2015	
	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	\$ 505,771	\$ 472,739	\$117,868	\$ -	\$ -	\$ -	\$1,096,378	\$ -	\$ -	\$ -	\$1,096,378	\$1,093,059
Grants - Donor Advised Funds	16,986	-	30,557	9,331	-	-	56,874	-	-	-	56,874	209,949
Grants - program related	163,981	325,246	199,302	960,198	210,645	-	1,859,372	-	-	-	1,859,372	1,610,194
Specific programs related expenses	1,798	8,586	-	-	148,027	-	158,411	-	-	-	158,411	215,032
Salaries	73,966	49,963	49,963	61,213	91,838	234,380	561,323	211,321	224,403	435,724	997,047	857,131
Fringe benefits	22,063	15,970	15,970	19,238	26,381	79,569	179,191	85,670	80,081	165,751	344,942	279,792
Occupancy	8,137	8,137	9,044	8,137	14,526	46,625	94,606	33,456	62,094	95,550	190,156	218,134
Professional fees	3,969	3,969	4,411	3,969	7,085	22,742	46,145	16,319	30,287	46,606	92,751	84,925
Consulting fees	41,369	41,369	41,754	22,414	21,877	193,485	362,268	20,227	72,858	93,085	455,353	270,048
Telephone and internet	1,687	1,687	1,875	1,687	3,325	15,928	26,189	6,934	12,871	19,805	45,994	44,631
Office supplies and related expenses	635	635	706	635	11,750	5,086	19,447	2,610	54,601	57,211	76,658	54,652
Repairs and maintenance	847	847	941	847	1,511	4,850	9,843	3,480	6,459	9,939	19,782	15,918
Travel, entertainment and lodging	1,119	1,119	1,245	1,539	70,150	66,425	141,597	4,604	25,205	29,809	171,406	256,100
Cultivation, digital and Young Professional events	1,341	1,341	1,490	1,341	2,394	156,689	164,596	5,512	15,805	21,317	185,913	198,056
Leadership retreat - travel and lodging	-	-	-	-	-	40,584	40,584	-	-	-	40,584	3,124
Indirect benefit expenses	-	-	-	-	-	-	-	-	274,439	274,439	274,439	303,051
Depreciation	369	369	411	369	659	2,116	4,293	1,519	2,818	4,337	8,630	25,525
Bad debts	-	-	-	-	-	-	-	55,661	-	55,661	55,661	-
Miscellaneous	6,639	3,140	3,489	3,140	5,679	24,741	46,828	13,159	33,097	46,256	93,084	99,805
Total Expenses, 2016	\$ 850,677	\$ 935,117	\$479,026	\$1,094,058	\$615,847	\$ 893,220	\$4,867,945	\$ 460,472	\$ 895,018	\$1,355,490	\$6,223,435	
Total Expenses, 2015	\$1,057,222	\$ 757,320	\$136,585	\$1,304,953	\$446,825	\$ 795,850	\$4,498,755	\$ 467,741	\$ 872,630	\$1,340,371		\$5,839,126

See independent auditors' report on supplementary information.