

THE AMERICAN INDIA FOUNDATION

**FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION**

MARCH 31, 2017 AND 2016

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, 2017 and 2016, 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, 2017 and 2016, 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 14, 2017

THE AMERICAN INDIA FOUNDATION
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2017 AND 2016

	2017	2016
Assets		
Cash and cash equivalents (Notes 1c and 3)	\$1,697,392	\$3,550,303
Investments (Notes 1e, 1f and 4)	4,321,889	4,193,521
Unconditional promises to give (Notes 1d and 5)	432,418	739,759
Advance to AIFT (Note 1b)	279,813	-
Prepaid expenses and other assets	93,509	172,795
Property and equipment, net of accumulated depreciation (Notes 1g and 6)	39,298	39,000
Total Assets	\$6,864,319	\$8,695,378
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 277,368	\$ 299,232
Grant payable - AIFT (Note 1b)	-	263,688
Refundable event receipts	169,010	195,827
Refundable deposits held	16,750	6,750
Total Liabilities	463,128	765,497
Commitment (Note 8)		
Net Assets		
Unrestricted	1,591,074	1,862,212
Temporarily restricted (Note 2a)	4,210,117	5,467,669
Permanently restricted (Note 2b)	600,000	600,000
Total Net Assets	6,401,191	7,929,881
Total Liabilities and Net Assets	\$6,864,319	\$8,695,378

See notes to financial statements.

THE AMERICAN INDIA FOUNDATION
STATEMENTS OF ACTIVITIES
YEARS ENDED MARCH 31, 2017 AND 2016

	2017			2016				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Changes in Net Assets								
Support and Revenue								
Contributions and grants (Note 1a)	\$ 572,557	\$ 1,050,786	\$ -	\$1,623,343	\$ 556,278	\$ 2,997,501	\$ -	\$3,553,779
Benefit income	4,179,403	995,756	-	5,175,159	3,118,620	718,708	-	3,837,328
Less: Direct benefit expenses	(842,139)	-	-	(842,139)	(639,277)	-	-	(639,277)
Unrealized gain on investments	2,037	-	-	2,037	671	-	-	671
Interest and dividend income	25,070	-	-	25,070	7,187	-	-	7,187
Other income	64,960	-	-	64,960	53,863	-	-	53,863
	<u>4,001,888</u>	<u>2,046,542</u>	<u>-</u>	<u>6,048,430</u>	<u>3,097,342</u>	<u>3,716,209</u>	<u>-</u>	<u>6,813,551</u>
Net assets released from restrictions								
Satisfaction of time and program restrictions	<u>3,304,094</u>	<u>(3,304,094)</u>	<u>-</u>	<u>-</u>	<u>1,648,810</u>	<u>(1,648,810)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>7,305,982</u>	<u>(1,257,552)</u>	<u>-</u>	<u>6,048,430</u>	<u>4,746,152</u>	<u>2,067,399</u>	<u>-</u>	<u>6,813,551</u>
Expenses								
Program Services	<u>6,020,185</u>	<u>-</u>	<u>-</u>	<u>6,020,185</u>	<u>4,867,945</u>	<u>-</u>	<u>-</u>	<u>4,867,945</u>
Supporting Services								
Management and general	554,404	-	-	554,404	460,472	-	-	460,472
Fundraising	1,002,531	-	-	1,002,531	895,018	-	-	895,018
Total Supporting Services	<u>1,556,935</u>	<u>-</u>	<u>-</u>	<u>1,556,935</u>	<u>1,355,490</u>	<u>-</u>	<u>-</u>	<u>1,355,490</u>
Total Expenses	<u>7,577,120</u>	<u>-</u>	<u>-</u>	<u>7,577,120</u>	<u>6,223,435</u>	<u>-</u>	<u>-</u>	<u>6,223,435</u>
Increase (decrease) in net assets	(271,138)	(1,257,552)	-	(1,528,690)	(1,477,283)	2,067,399	-	590,116
Net assets, beginning of year	<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	<u>\$ 1,591,074</u>	<u>\$ 4,210,117</u>	<u>\$ 600,000</u>	<u>\$6,401,191</u>	<u>\$ 1,862,212</u>	<u>\$ 5,467,669</u>	<u>\$ 600,000</u>	<u>\$7,929,881</u>

See notes to financial statements.

THE AMERICAN INDIA FOUNDATION
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$(1,528,690)	\$ 590,116
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	9,004	8,630
Unrealized gain on investments	(2,037)	(671)
Bad debt expense	33,884	55,661
(Increase) decrease in:		
Unconditional promises to give	273,457	290,681
Advance to AIFT	(279,813)	-
Prepaid expenses and other assets	79,286	(25,405)
Increase (decrease) in:		
Accounts payable and accrued expenses	(21,864)	(119,725)
Grant payable - AIFT	(263,688)	41,123
Refundable event receipts	(26,817)	150,827
Refundable deposits held	10,000	(7,500)
Net Cash Provided (Used) By Operating Activities	<u>(1,717,278)</u>	<u>983,737</u>
Cash Flows From Investing Activities		
Purchase of property and equipment	(9,302)	(4,451)
Purchases of investments	(1,932,211)	(432,829)
Proceeds from sale of investments	1,805,880	-
Net Cash Used By Investing Activities	<u>(135,633)</u>	<u>(437,280)</u>
Net increase (decrease) in cash and cash equivalents	(1,852,911)	546,457
Cash and cash equivalents, beginning of year	<u>3,550,303</u>	<u>3,003,846</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,697,392</u>	<u>\$3,550,303</u>

See notes to financial statements.

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2017 AND 2016

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 \$2,190,357 and \$1,859,372 for the years ended March 31, 2017 and 2016, respectively (see Note 7). The outstanding advance or (payable) to the Trust was \$279,813 and \$(263,688) at March 31, 2017 and 2016, 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. 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, 2017 AND 2016

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, 2017 AND 2016

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 14, 2017, 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, 2017 and 2016 are restricted for the following purposes:

	<u>2017</u>	<u>2016</u>
Public health	\$2,083,144	\$2,588,483
Donor advised funds	708,035	994,044
Livelihood	366,759	133,016
Gender program	361,955	361,955
LAMP	284,906	305,087
Digital equalizer	238,466	679,630
Chennai flood fund	84,960	87,214
Uttarakhand relief fund	35,615	35,615
Kashmir flood fund	22,101	22,101
Education	12,052	129,657
Future periods	9,501	72,635
IIMPACT	2,321	26,846
Priya Haji memorial fund	302	302
Nepal earthquake fund	-	31,084
	<u>\$4,210,117</u>	<u>\$5,467,669</u>

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2017 AND 2016

Note 2 - Restrictions on Assets (continued)

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, 2017 AND 2016

Note 2 - Restrictions on Assets (continued)

b - Endowment Funds (continued)

Changes in the Organization's endowment funds for the years ended March 31, 2017 and 2016 are summarized as follows:

	2017		
	Unrestricted	Permanently Restricted	Total
Endowment funds, beginning of year	\$ -	\$600,000	\$600,000
Investment Return:			
Investment income	1,651	-	1,651
Net unrealized gain on investments	<u>179</u>	<u>-</u>	<u>179</u>
Total Investment Return	<u>1,830</u>	<u>-</u>	<u>1,830</u>
Appropriation of endowment assets to operations	<u>(1,830)</u>	<u>-</u>	<u>(1,830)</u>
Endowment Funds, End of Year	<u>\$ -</u>	<u>\$600,000</u>	<u>\$600,000</u>
	2016		
	Unrestricted	Permanently Restricted	Total
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>

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, 2017 AND 2016

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>2017</u>		<u>2016</u>	
	<u>Cost</u>	<u>Carrying Value</u>	<u>Cost</u>	<u>Carrying Value</u>
Cash and money market funds	\$ 543,366	\$ 543,366	\$4,033,287	\$4,033,287
Certificates of deposit	1,960,000	1,959,433	-	-
Government securities	662,754	664,048	-	-
Municipal bonds	242,626	244,581	-	-
Corporate bonds	427,300	430,266	100,000	102,884
Mutual funds	423,572	422,845	-	-
Equities	<u>5,303</u>	<u>10</u>	<u>5,303</u>	<u>10</u>
Investments, Level 1, carried at fair value	4,264,921	4,264,549	4,138,590	4,136,181
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>\$4,322,261</u>	<u>\$4,321,889</u>	<u>\$4,195,930</u>	<u>\$4,193,521</u>

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2017 AND 2016

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>2017</u>	<u>2016</u>
Interest and dividend income	\$25,070	\$7,187
Unrealized gain on investments	<u>2,037</u>	<u>671</u>
	<u>\$27,107</u>	<u>\$7,858</u>

Note 5 - Promises to Give

a - Unconditional promises to give at March 31, 2017 and 2016 are summarized as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2017 Total</u>	<u>2016 Total</u>
Less than one year	\$427,917	\$ 4,501	\$432,418	\$642,672
One to three years	-	-	-	100,000
Less: Discount to present value	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,913)</u>
2017 Total	<u>\$427,917</u>	<u>\$ 4,501</u>	<u>\$432,418</u>	
2016 Total		<u>\$269,722</u>		<u>\$739,759</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%.

b - In May 2015, the Organization received a five year pledge to support a new program service. Two installments of the pledge were received in a prior year. The terms and timing of the payment of the balance of the pledge of approximately \$825,000 have not been finalized with the donor. Therefore, this pledge has not been recorded in the accompanying financials statements.

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2017 AND 2016

Note 6 - Property and Equipment

Property and equipment consist of the following:

	<u>Life</u>	<u>2017</u>	<u>2016</u>
Computer equipment	3-5 years	\$ 83,390	\$ 74,088
Website	3 years	<u>50,507</u>	<u>50,507</u>
		133,897	124,595
Less: Accumulated depreciation		<u>(94,599)</u>	<u>(85,595)</u>
		<u>\$ 39,298</u>	<u>\$ 39,000</u>

Depreciation expense for the years ended March 31, 2017 and 2016 was \$9,004 and \$8,630, 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, 2017 AND 2016

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>2017</u>	<u>2016</u>
Grants awarded (including Donor Advised Fund Awards)		
Education	\$ 608,904	\$ 522,757
Livelihood	493,502	472,739
Public Health	221,618	148,425
Digital Equalizer	<u>28,800</u>	<u>9,331</u>
	<u>1,352,824</u>	<u>1,153,252</u>
 Grants awarded to AIF Trust		
Education	306,309	163,981
Livelihood	559,517	325,246
Public Health	233,743	199,302
Digital Equalizer	813,945	960,198
Clinton Fellows	<u>276,843</u>	<u>210,645</u>
	<u>2,190,357</u>	<u>1,859,372</u>
	<u>\$3,543,181</u>	<u>\$3,012,624</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, 2017, which has not been accrued, amounted to:

Livelihood	\$ 707,027
Education	517,980
Public Health	<u>452,725</u>
	<u>\$1,677,732</u>

THE AMERICAN INDIA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2017 AND 2016

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

Rent expense for the years ended March 31, 2017 and 2016 was \$182,663 and \$178,237, 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, 2017 and 2016, and our report thereon dated September 14, 2017, 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, 2017 with comparative totals for 2016 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 14, 2017

THE AMERICAN INDIA FOUNDATION

SCHEDULE OF FUNCTIONAL EXPENSES

YEAR ENDED MARCH 31, 2017 WITH COMPARATIVE TOTALS FOR 2016

	Program Services						Supporting Services			2017	2016	
	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	\$ 528,193	\$ 493,502	\$203,315	\$ -	\$ -	\$ -	\$1,225,010	\$ -	\$ -	\$ -	\$1,225,010	\$1,096,378
Grants - Donor Advised Funds	80,711	-	18,303	28,800	-	-	127,814	-	-	-	127,814	56,874
Grants - program related	306,309	559,517	233,743	813,945	276,843	-	2,190,357	-	-	-	2,190,357	1,859,372
Specific programs related grants and expenses	83,268	31,084	-	-	141,170	-	255,522	-	-	-	255,522	158,411
Salaries	209,000	166,826	145,213	173,840	206,724	270,518	1,172,121	321,522	155,631	477,153	1,649,274	997,047
Fringe benefits	56,116	47,857	39,096	47,352	53,968	65,252	309,641	84,529	49,702	134,231	443,872	344,942
Occupancy	25,009	19,963	17,376	20,802	24,737	32,370	140,257	38,474	18,623	57,097	197,354	190,156
Professional fees	15,339	12,244	10,658	12,759	15,172	19,854	86,026	23,598	12,422	36,020	122,046	92,751
Consulting fees	-	2,254	-	-	27,730	24,388	54,372	-	164,785	164,785	219,157	455,353
Telephone and internet	3,727	2,975	2,589	3,100	4,186	5,293	21,870	5,733	13,687	19,420	41,290	45,994
Office supplies and related expenses	4,001	2,252	1,960	2,346	10,089	9,463	30,111	4,340	83,418	87,758	117,869	76,658
Repairs and maintenance	2,335	1,864	1,623	1,942	2,310	3,023	13,097	3,592	1,739	5,331	18,428	19,782
Travel, entertainment and lodging	4,394	3,507	3,053	3,655	81,667	32,215	128,491	6,759	39,457	46,216	174,707	171,406
Cultivation, digital and Young Professional events	3,710	2,961	2,578	3,086	3,669	132,569	148,573	5,707	12,367	18,074	166,647	185,913
Leadership retreat - travel and lodging	-	-	-	-	-	-	-	-	-	-	-	40,584
Indirect benefit expenses	-	-	-	-	-	-	-	-	435,610	435,610	435,610	274,439
Depreciation	1,141	911	793	949	1,129	1,477	6,400	1,754	850	2,604	9,004	8,630
Bad debts	-	-	-	-	-	-	-	33,884	-	33,884	33,884	55,661
Miscellaneous	16,007	12,721	11,073	13,256	33,126	24,340	110,523	24,512	14,240	38,752	149,275	93,084
Total Expenses, 2017	\$1,339,260	\$1,360,438	\$691,373	\$1,125,832	\$882,520	\$ 620,762	\$6,020,185	\$ 554,404	\$ 1,002,531	\$1,556,935	\$7,577,120	
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

See independent auditors' report on supplementary information.