Financial Statements
Years Ended
June 30, 2012 and 2011

Community Foundation of Western Virginia, Inc.
d/b/a Foundation for Roanoke Valley

DIXON HUGHES GOODMAN LLP
Certified Public Accountants and Advisors

Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley

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We have audited the accompanying statements of financial position of ***Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley*** as of June 30, 2012 and 2011 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of ***Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley'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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our 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 ***Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley*** as of June 30, 2012 and 2011, and the changes in their net assets and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Dixon Hughes Goodman LLP

Roanoke, Virginia
October 26, 2012

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Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley

Statements of Financial Position

June 30,	2012	2011
Assets		
Assets		
Cash and cash equivalents	$ 1,568,071	$ 2,533,309
Investments	46,482,900	44,482,539
Contributions receivable from remainder trusts and estates	703,506	676,388
Pledges receivable - net	-	969,657
Educational loans receivable - net	566,756	832,767
Prepaid expenses	15,589	7,061
Property and equipment - net	38,471	19,224
	$ 49,375,293	$ 49,520,945
Liabilities and Net Assets		
Liabilities		
Grants payable	$ 202,100	$ 100,165
Accounts payable	7,593	2,347
Annuity obligations	225,685	224,656
Agency funds	2,138,570	2,455,245
Total liabilities	2,573,948	2,782,413
Net assets		
Unrestricted		
Undesignated	4,716,677	4,780,367
Field of interest	16,197,277	15,110,983
Designated	3,997,385	5,056,039
Advised	9,775,277	9,994,419
Scholarship	10,807,509	9,233,142
	45,494,125	44,174,950
Temporarily restricted	1,307,220	2,563,582
Total net assets	46,801,345	46,738,532
	$ 49,375,293	$ 49,520,945

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

Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley

Statement of Activities

Year Ended June 30, 2012

	Unrestricted	Temporarily Restricted	Total
Support and revenues			
Contributions	$ 4,562,111	$ 45,000	$ 4,607,111
Interest and dividend income	645,603	3,176	648,779
Administrative fees	628,985	-	628,985
Unrealized losses on investments	(1,330,582)	(7,073)	(1,337,655)
Realized gains on investments	50,645	389	51,034
Change in contributions receivable from remainder trusts	-	27,119	27,119
Change in annuity obligations	-	(15,732)	(15,732)
Net assets released from donor restrictions	1,309,241	(1,309,241)	-
Total support and revenues	5,866,003	(1,256,362)	4,609,641
Expenses			
Program services and grant making	3,277,158	-	3,277,158
General and administrative	992,215	-	992,215
Investment management fees	180,167	-	180,167
Fundraising	97,288	-	97,288
Total expenses	4,546,828	-	4,546,828
Change in net assets	1,319,175	(1,256,362)	62,813
Net assets - beginning of year	44,174,950	2,563,582	46,738,532
Net assets - end of year	$ 45,494,125	$ 1,307,220	$ 46,801,345

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

Statement of Activities

Year Ended June 30, 2011

	Unrestricted	Temporarily Restricted	Total
Support and revenues			
Contributions	$ 5,989,511	$ 1,179,643	$ 7,169,154
Interest and dividend income	570,205	4,312	574,517
Administrative fees	480,865	-	480,865
Unrealized gains on investments	5,006,150	44,635	5,050,785
Realized gains on investments	425,360	3,200	428,560
Change in contributions receivable from remainder trusts	-	48,780	48,780
Change in annuity obligations	-	44,983	44,983
Net assets released from donor restrictions	1,491,180	(1,491,180)	-
Total support and revenues	13,963,271	(165,627)	13,797,644
Expenses			
Program services and grant making	2,823,596	-	2,823,596
General and administrative	1,264,602	-	1,264,602
Investment management fees	153,217	-	153,217
Fundraising	99,222	-	99,222
Total expenses	4,340,637	-	4,340,637
Change in net assets	9,622,634	(165,627)	9,457,007
Net assets - beginning of year	34,552,316	2,729,209	37,281,525
Net assets - end of year	$44,174,950	$ 2,563,582	$46,738,532

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

Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley

Statements of Cash Flows

Years Ended June 30,	2012	2011
Cash flows from operating activities		
Change in net assets	$ 62,813	$ 9,457,007
Adjustments to reconcile to net cash from operating activities:		
Provision for bad debts	23,004	202,092
Depreciation expense	10,941	7,865
Unrealized (gains) losses on investments	1,337,655	(5,050,785)
Realized gains on investments	(51,034)	(428,560)
Noncash contributions	(838,962)	(1,069,379)
Change in:		
Contributions receivable from remainder trusts and estates	(27,118)	(48,780)
Pledges receivable	969,657	139,093
Educational loans receivable	243,007	420,218
Prepaid expenses	(8,528)	(269)
Grants payable	101,935	89,165
Accounts payable	5,246	(836)
Annuity obligations	1,029	(44,983)
Agency funds	(316,675)	255,249
Net cash from operating activities	1,512,970	3,927,097
Cash flows from investing activities		
Net purchases of investments	(2,448,020)	(2,585,760)
Purchases of property and equipment	(30,188)	(2,699)
Net cash from investing activities	(2,478,208)	(2,588,459)
Net change in cash and cash equivalents	(965,238)	1,338,638
Cash and cash equivalents - beginning of year	2,533,309	1,194,671
Cash and cash equivalents - end of year	$ 1,568,071	$ 2,533,309
Supplemental disclosure of noncash investing and financing activities		
Contributions of marketable securities	$ 838,962	$ 526,396
Contributions of educational loans receivable	$ -	$ 542,983

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

June 30, 2012 and 2011

1. Organization and Nature of Activities

Community Foundation of Western Virginia, Inc. d/b/a Foundation for Roanoke Valley (Foundation) is a publicly-supported community foundation, which was created in Virginia in 1988 and began operations in March 1990. The Foundation strives to provide a cost effective, efficient vehicle through which donors can make contributions and have them administered to a variety of charities throughout the southwestern Virginia region.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Net Assets

The Foundation 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.

The Foundation receives contributions from donors with stipulations regarding distributions of the assets and the earnings from the assets, but maintains a variance power over these contributions. While the Foundation attempts to meet the desires expressed by the donors at the time of the contributions, the Foundation reserves the right to modify any restrictions or conditions on the distribution of funds for any specified charitable purpose or to specified organizations if, in the sole judgment of the Foundation's Board of Governors, such restrictions or conditions become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. Accordingly, the financial statements classify all net assets as unrestricted, with the exception of assets related to charitable remainder trusts, pledges and educational loan receivables, which are classified as temporarily restricted net assets due to the time restrictions of the assets. The financial statements report amounts separately by class of net assets as follows:

Unrestricted net assets generally result from revenues derived from providing services; receiving unrestricted contributions; realized gains and losses; and receiving dividends and interest from investing in income-producing assets, less expenses incurred in providing services, raising contributions, performing administrative functions, and acquiring property and equipment. There are several types of funds within the classification of unrestricted net assets:

1. **Undesignated funds** provide the best flexibility to meet present, emerging and future community needs. The Foundation's Board of Governors applies this fund to the areas of greatest need in the communities of southwestern Virginia. Earnings from these funds are classified as unrestricted.

2. **Field of interest funds** enable donors to specify their funds to a particular charitable area of interest. Specific grant recipients within that field are chosen by the Board of Governors. Earnings are classified as unrestricted.

3. **Designated funds** allow donors to specify which charitable organizations or programs are to benefit from the fund. Earnings are classified as unrestricted.

4. **Advised funds** enable donors to establish a fund and periodically make recommendations to the Board of Governors as to grants from the fund. Earnings from these funds are classified as unrestricted.

5. **Scholarship funds** enable donors to provide annual financial support to deserving young men and women pursuing higher-education studies at accredited schools or universities. Recipients are selected in accordance with federal laws through a board approved, objective and non-discriminatory process. Earnings from these funds are classified as unrestricted.

Temporarily restricted net assets generally result from contributions and other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as unrestricted.

Permanently restricted net assets generally represent the historical cost (fair value at date of gift) of contributions and other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by the Foundation. At June 30, 2012 and 2011, the Foundation had no permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid debt instruments with a purchased maturity of less than one year to be cash equivalents, except for those short-term investments managed as part of long-term investment strategies.

Investments

Investments in securities are carried at fair value. The fair value of interests in hedge funds, private equities and real assets are determined in good faith by external investment managers or other independent sources and reviewed by management. Because these alternative investments are not readily marketable, their estimated value is subject to additional uncertainty and therefore, value realized upon disposition may vary significantly from reported values.

Investment income (including realized gains and losses on investments, interest, and dividends) and unrealized gains and losses on investments are reported in the statement of activities as increases or decreases in unrestricted net assets, unless their use is temporarily or permanently restricted by explicit donor stipulations or by law. Management periodically reviews its investment portfolio for other than temporary declines. Securities that are deemed to have other than temporary declines are assigned a new costs basis based on the fair value at the determination date. The difference in the old and new basis is recorded in investment income.

Gifts of investments are recorded at their fair value (based upon quotations or appraisals) at the date of gift. Purchases and sales of investments are recorded on the trade date.

Investment securities are exposed to several risks, such as interest rate, currency, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Foundation's financial statements.

The Foundation manages an investment pool. Investment income is allocated to all pooled funds on a quarterly basis using the average balance in each fund during the quarter. The pool consists of temporarily restricted and unrestricted funds.

Contributions Receivable from Remainder Trusts and Estates

The Foundation is the beneficiary of four irrevocable charitable remainder trusts. All income was recognized as temporarily restricted in the current year due to the implied time restrictions. Under the agreements, the donor receives an annual distribution of a percentage of the market value of the trust until death at which time the Foundation receives all or a portion of the remaining principal and income. Based on the donor's life expectancy and a 4.0% discount rate, the present value of future benefits expected to be received by the Foundation from these agreements at June 30, 2012 and 2011 is estimated to be $703,506 and $676,388, respectively.

At June 30, 2012 and 2011, one trust made up approximately 72% of the benefit the Foundation expects to receive.

Pledges Receivable

Pledges receivable are unconditional promises to give and, depending on the existence and/or nature of any donor restrictions, are recognized as unrestricted, temporarily restricted, or permanently restricted revenues when the donor's commitment is received. The Foundation's pledges receivable includes a provision for bad debts which is calculated based on management's analysis of future expected cash flows and managements judgment. The Foundation writes off pledges receivable against the provision when it is determined that a balance is no longer collectible.

Educational Loans Receivable

The Foundation's educational loans receivable include a provision for bad debts which is calculated based on the collection status of the loans, historical experience and management's judgment. The Foundation writes off educational loans receivable against the provision when it is determined that a balance is no longer collectible.

Property and Equipment

Property and equipment are stated at cost. Donated assets are recorded at their estimated fair value at date of contribution. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally three to ten years for office furniture and equipment. It is the Foundation's policy to capitalize property and equipment expenditures over $700. Depreciation expense for 2012 and 2011 was $10,941 and $7,865, respectively. Accumulated depreciation was $69,092 and $58,360 at June 30, 2012 and 2011, respectively.

Contributions Received

Contributions received are recorded as unrestricted net assets as discussed above. It is the expressed intention of the Foundation to honor the designation of donors; however, the Foundation reserves the right to exercise final control over all funds that are not considered permanently restricted net assets. Noncash contributions are valued at the estimated fair value of the asset donated.

Estimates

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

Income Taxes

The Foundation is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code (IRC); accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes. The Foundation has determined that it does not have any material unrecognized tax benefits or obligations as of June 30, 2012. Fiscal years ending on or after June 30, 2009 remain subject to examination by federal and state authorities. It is not categorized as a private foundation and has no unrelated business income subject to federal or state income tax under section 511 of the IRC.

Credit Risk

Financial instruments that potentially subject the Foundation to concentration of credit risk consist of interest-bearing transaction accounts, money market deposit accounts and educational loans receivable. The Foundation places its interest-bearing and money market accounts in high credit quality financial institutions. The Foundation has not experienced any losses in these accounts. Concentration of credit risk for educational loans receivable is limited to the large number of educational loans compromising the receivable balance.

Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through October 26, 2012, the date the financial statements were available to be issued.

3. Investments

Investment activity is reflected below:

	2012	2011
Investments - beginning	$ 44,482,539	$ 35,891,038
Investment returns:		
Dividends and interest	654,656	588,576
Net realized gain	51,034	428,560
Agency funds net realized gain	2,236	26,457
Net unrealized gain (loss)	(1,337,655)	5,050,785
Agency funds net unrealized gain (loss)	(92,220)	325,753
Investment expenses	(823,681)	(625,835)
Purchases and sales	3,545,991	2,797,205
Investments - ending	$ 46,482,900	$ 44,482,539

4. Fair Value of Measurements

The Foundation adopted accountings standards which established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Level 2 — Inputs to the valuation methodology include:

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

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

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques are used to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in methodologies used at June 30, 2012. Following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

Stocks and corporate bonds: Valued at closing price reported on the active market on which the individual securities are traded.

Government bonds: Valued at quoted market prices of similar investments in active markets or quoted prices for identical or similar instruments in inactive markets.

Mutual funds: Valued at the net asset value of shares held at year end.

Hedge funds, private equities and real assets: Hedge funds, private equities and real assets held in limited partnerships and limited liability corporations are valued at the Foundation's pro-rata interest in the net assets of these entities. Investments held by these entities are valued at prices which approximate fair value. The fair value of certain investments in the underlying entities, which may include private placements and other securities for which values are not readily available, are determined in good faith by the investment advisors of the respective entities and may not reflect amounts that could be realized upon immediate sale, nor amounts that may be ultimately realized. The estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments, and these differences could be material. Net asset valuations are provided by these entities.

Remainder trusts receivable: Valued at the net present value of future cash flows expected to be received based on life expectancies of the donees and a discount rate of 4.0%.

Pledges and educational loans receivable: Valued at net realizable value if at the time the promise is made.

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

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2012:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Large value	$ 1,043,002	$ -	$ -	$ 1,043,002
Large growth	1,007,402	-	-	1,007,402
Large blend	262,631	-	-	262,631
World allocation	4,289,641	-	-	4,289,641
Diversified emerging markets	3,626,884	-	-	3,626,884
Intermediate-term bond	4,749,078	-	-	4,749,078
Short government	1,446,355	-	-	1,446,355
World stock	5,400,387	-	-	5,400,387
International equity securities:				
Large value	2,485,160	-	-	2,485,160
Large blend	528,018	-	-	528,018
Stocks:				
Energy	404,103	-	-	404,103
Materials	92,383	-	-	92,383
Industrials	534,752	-	-	534,752
Consumer discretionary	793,292	-	-	793,292
Consumer staple	648,357	-	-	648,357
Health care	701,847	-	-	701,847
Financials	399,867	-	-	399,867
Information technology	1,068,889	-	-	1,068,889
Telecommunication services	82,214	-	-	82,214
Utilities	193,633	-	-	193,633
Real estate	92,715	-	-	92,715
Exchange traded funds:				
Real estate	65,430	-	-	65,430
Foreign common stock	586,237	-	-	586,237
Corporate bonds	-	197,059	-	197,059
Government bonds	-	140,751	-	140,751
Hedge funds	-	-	8,194,705	8,194,705
Private equities	-	-	2,883,718	2,883,718
Real assets	-	-	1,816,354	1,816,354
Total investments	$ 30,502,277	$ 337,810	$ 12,894,777	$ 43,734,864
Remainder trusts receivable	-	-	703,506	703,506
Educational loans receivable	-	-	566,756	566,756
Total receivables	-	-	1,270,262	1,270,262
	$ 30,502,277	$ 337,810	$ 14,165,039	$ 45,005,126

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2011:

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Large value	$ 997,451	$ -	$ -	$ 997,451
Large growth	1,008,951	-	-	1,008,951
Large blend	256,620	-	-	256,620
World allocation	4,256,172	-	-	4,256,172
Intermediate-term bond	4,440,156	-	-	4,440,156
Short government	1,425,313	-	-	1,425,313
World stock	6,336,769	-	-	6,336,769
International equity securities:				
Large value	3,338,339	-	-	3,338,339
Large blend	645,953	-	-	645,953
Stocks:				
Energy	458,148	-	-	458,148
Materials	296,551	-	-	296,551
Industrials	865,736	-	-	865,736
Consumer discretionary	680,291	-	-	680,291
Consumer staple	503,779	-	-	503,779
Health care	661,651	-	-	661,651
Financials	518,639	-	-	518,639
Information technology	1,013,399	-	-	1,013,399
Telecommunication services	92,544	-	-	92,544
Utilities	90,092	-	-	90,092
Real estate	77,049	-	-	77,049
Foreign common stocks	746,562	-	-	746,562
Corporate bonds	-	69,032	-	69,032
Government bonds	-	328,805	-	328,805
Hedge funds	-	-	8,080,300	8,080,300
Private equities	-	-	2,797,419	2,797,419
Real assets	-	-	1,824,256	1,824,256
Total investments	$ 28,710,165	$ 397,837	$ 12,701,975	$ 41,809,977
Remainder trusts receivable	-	-	676,388	676,388
Pledges receivable	-	-	969,657	969,657
Educational loans receivable	-	-	832,767	832,767
Total receivables	-	-	2,478,812	2,478,812
	$ 28,710,165	$ 397,837	$ 15,180,787	$ 44,288,789

The Foundation has $2,748,036 and $2,672,562 of cash balances included in investments as of June 30, 2012 and 2011, respectively, which is not required to be classified into a Level as prescribed within the guidance.

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Foundation's level 3 investment assets at June 30, 2012:

	Investments	Receivables
Balance - beginning of year	$ 12,701,975	$ 2,478,812
Net changes in fair value	377,731	-
Sales and purchases	(184,929)	-
Additional receivables	-	27,119
Payments on receivables	-	(1,244,047)
Recovery of bad debts	-	31,382
Provision for bad debts	-	(23,004)
Balance - end of year	$ 12,894,777	$ 1,270,262

5. Pledges Receivable

The Foundation has the following pledges receivable outstanding:

	2012	**2011**
Pledges expected to be collected in:		
Less than one year	$ -	$ 1,228,407
Less allowance for uncollectible pledges	-	(258,750)
	$ -	$ 969,657

6. Educational Loans Receivable

The Foundation has educational loans receivable at June 30, 2012 and 2011 of $566,756 and $832,767, respectively. These loans consist of $1,566,460 and $1,863,854 in promissory notes net of an estimated uncollectible allowance of $999,704 and $1,031,087 at June 30, 2012 and 2011, respectively. These promissory notes are due from current and former students and have various interest rates and repayment terms and are collectible through 2018.

7. Grants Payable

Grants payable consist of amounts awarded, but not yet paid, to scholarship recipients. All amounts are to be paid within the next fiscal year.

8. Annuity Obligations

The Foundation is a participant in several charitable gift annuities. Under these agreements, the donor contributes a sum of money to be invested by the Foundation. The Foundation then makes an annual distribution of the fund's earnings to the donor for life. The present value of this future benefit is recorded as a liability. Upon the donor's death, the remaining principal and income are held for specified charitable organizations.

9. Agency Funds

In accordance with generally accepted accounting principles, a liability is established when a not-for-profit organization establishes a fund at the Foundation with its own funds and specifies itself as the beneficiary of that fund. The Foundation maintains variance power and legal ownership of these agency funds and as such continues to report the funds as assets of the Foundation. Revenues and expenses are reported net of agency funds on the Statement of Activities.

10. Operating Leases

The Foundation leases office space under a five-year lease that commenced in March 2007. On April 10, 2010, the Foundation entered into a five-year lease that commences January 1, 2012.

The Foundation leases office space under an operating lease expiring May 31, 2013. The Foundation has the right to renew this lease through May 31, 2016.

Total rental expense for these leases was $81,559 and $53,250 for 2012 and 2011, respectively.

The future minimum lease payments for years ending June 30 are as follows:

2013	$ 80,245
2014	71,747
2015	73,900
2016	76,117
2017	38,621
	$ 340,630

11. Retirement Plan

The Foundation has a defined contribution retirement plan covering eligible full-time employees. Contributions to the plan during 2012 and 2011 were $23,868 and $20,200, respectively.

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