



Peace through Education

Central Asia Institute Annual Report
September 30, 2010 and 2011





Central Asia Institute's mission is to empower communities of Central Asia through literacy and education, especially for girls, promote peace through education, and convey the importance of these activities globally.



CAI Annual Report 2011
Photography by Ellen Jaskol



Although CAI has incredible support around the world, unfortunately there are also those who seek

to destroy our work, and even more sadly, those who are vehemently opposed to the education of girls. To deny even one girl the right of education hinders the best way to bring change and create peace for a society.

- Greg Mortenson

Central Asia Institute Overview





CAI Philosophy: Central Asia Institute (CAI) is a grassroots organization with a philosophy that has evolved through years of firsthand field experience. The primary goal is to empower local communities to be fully involved in every aspect of a project. Our community partnerships are facilitated by village committees, with members selected for their dedication, initiative, and accountability. We take great care to cooperate with local government, political, and religious leaders in this complex region. Each project is locally initiated, implemented, and managed. We use innovative techniques to encourage people to take responsibility for their own vitality. The community matches CAI granted funds with local resources and labor to ensure the project's viability and long-term success. The communities' successful projects are a solid testimony to the strength of community-based initiatives.

Board of Directors

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Greg Mortenson

Board Member, Ex-officio
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Board Member
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CAI Team

Greg Mortenson

Co-founder

Anne Beyersdorfer

Executive Director

Jennifer Sipes

Operations Director

Karin Ronnow

Communications Director

Lynsie Gettel

Database Coordinator/Designer

Laura Brin

Administrative Assistant

Afghanistan

Wakil Karimi

Community Program Director
Central, Southern and
Eastern Provinces

Sarfraz Khan

Community Program Director
NE Provinces

Jan Agha Jaheed

Community Field Director
NE Provinces

Tajikistan

Sarfraz Khan

Community Program Director
Gorno Badakhshan Autonomous
Oblast

Pakistan

Lt Col (R) Ilyas A Mirza

Community Chief Operations Director
Islamabad and Khyber Pakhtunkhwa

Fozia Naseer

Community Women's Development
and Scholarship Director
Azad Kashmir

Suleman Minhas

Community Operations Manager
Rawalpindi and Punjab

Mohammad Nazir

Community Program Manager
Skardu, Baltistan, Northern Areas

Saidullah Baig

Community Program Manager
Gilgit, Northern Areas

Fazil Baig

Community Program Manager
Ghizar and Gupis Districts,
Northern Areas

Sarfraz Khan

Community Field Director
Northern Areas

Apo Abdul Razak

Community Public Relations
At-large

Message from the Board Chair and Executive Director

Dear Friends,

We draw strength from the children, their parents, village elders, and teachers whom we serve in Central Asia and from you, our supporters, who share our mission of empowering young people through literacy and education, especially for girls. The backdrop of war, sectarian strife, and vulnerability to natural disasters in the remote, rural communities of Pakistan, Afghanistan, and Tajikistan are subjects of newspapers, television, and the blogosphere. But for the communities we serve, they are harsh and immediate realities. Literacy through education is the central engine of change for young people in Central Asia – the chief opportunity for choice in their lives.

No other NGO does what we do in these locales to assist the local communities to provide this life changing opportunity with such a small team of dedicated individuals.

When the stakes are high, people come together and show their true strength. Last year, it was individuals who provided 91% of CAI's total annual support. Likewise, it was individuals in Pakistan, Afghanistan, and Tajikistan who translated that support into their own educational and community programs.

The Year in Review

The communities we serve initiated 60 new projects in 2012 – 20 in Pakistan, 36 in Afghanistan, and four in Tajikistan, while continuing to support existing schools, literacy centers, and other projects. For example, CAI provided funding to increase teacher salaries, to expand school library sources throughout Baltistan, Pakistan, and to fund teacher training and evaluation programs for 22 teachers from CAI-supported schools in northwest Pakistan. To date, CAI has assisted in funding the initiation of over 300 school and community projects.

Overarching all of these new and sustained projects, CAI initiated an "Overseas Grantee Monitoring" program, under which independent auditors review CAI funded projects and activities overseas. CAI-US staff and these monitors confirm and validate the progress and results of our programs and verify that your donor dollars are well spent. In addition, we value the feedback we receive from the communities we serve – feedback that we endeavor to implement into stronger and stronger programs.

CAI has completed its independent financial audit for the fiscal years ending September 30, 2011 and 2010. Our audited financial statements are available on the Financials page of our website at www.ikat.org/about-cai/financials. In addition, this Annual Report provides a summary of CAI's financial statements and programs and illustrates how your support continues to further our mission.

The 2011 Headwinds

In 2012, CAI got out of the headlines and back to being the reliable trusted charity that you count on. We are pleased that the Montana Attorney General's office signed an agreement with us resolving its inquiry (www.ikat.org/ag). We are gratified that the U.S. District Court dismissed, with prejudice, a highly publicized lawsuit against the organization, although the case is under appeal. In July, we welcomed to our Board of Directors seven new members with substantial leadership experience, financial and legal expertise, and knowledge and appreciation of the people we serve. We also began a search for a new Executive Director to provide the leadership and strategic vision to continue our mission. And finally, we are pleased that after a period of dealing with serious health issues, Greg Mortenson is once again fully engaged with CAI and continues on the Board of Directors, as an ex-officio member, and as our Program Director. He continues to work closely with overseas communities to pursue the mission that he helped formulate with the founding of CAI.

The Road Ahead

We are optimistic and confident about Central Asia Institute. We've been reinvigorated by the enthusiasm and commitment of our Board members. All of us at CAI are honored to work with the communities we serve and to carry out the aspirations of our supporters. We are energized when we think about what can be accomplished in 2013 and beyond. Thank you for the trust you place in us.

Sincerely,



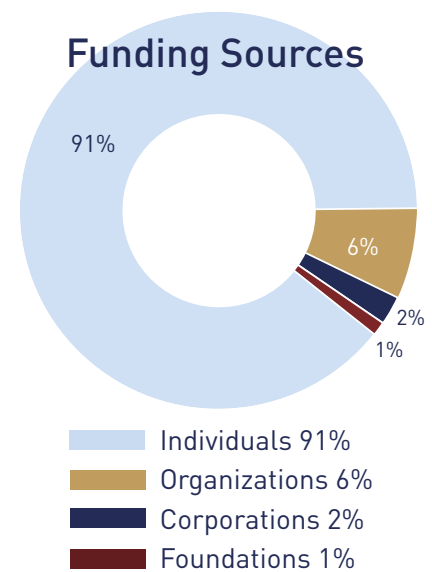
Abdul Jabbar, Ph.D.
Chair of the Board



Greg Mortenson
Co-Founder, Program Director



Anne Beyersdorfer
Executive Director



Central Asia Institute Programs





Over 110 million children in the world (ages 5-14) are deprived of education due to poverty, slavery, sexual discrimination, racial discrimination, racism, and religious intolerance. Numerous global studies have shown that educating a girl to at least a fifth-grade education level is the most significant factor in helping impoverished societies to:

1. Decrease infant mortality rates;
2. Decrease/stabilize population growth; and
3. Significantly improve the basic quality of health and life over a generation.

Since 1996, CAI has provided funds to support over 250 community-initiated educational and service projects. CAI has two primary programmatic purposes: to establish and support education in remote mountain communities of Central Asia and to educate the public about the importance of these educational activities.

This dual mission focuses on educational and community projects in remote mountain regions of Central Asia, particularly in Pakistan and Afghanistan, and educates the American and international public about the need to expand educational opportunities in these complex regions as a way to promote peace. CAI-supported programs include school building, scholarships, teacher support, public health, women's vocational centers, and global outreach.

School Buildings

The process undertaken to build new schools or improve existing structures requires an invitation from the local community and many months, or sometimes years, of preplanning with village elders, tribal chiefs, military commanders, Islamic clerics, and government officials influential in the area. CAI is often the only organization (government, international, or local) providing funds to support local initiatives in these underserved areas of Pakistan, Afghanistan, and Tajikistan. Each project involves local people in all phases: initiation, implementation, and sustainability. A committee of elders and experts guides these phases to completion, arranging for the community to match CAI project funds (for skilled labor and materials) with equal amounts of local resources (wood, land and sand, and the like) and sweat equity (free or subsidized labor). Such commitment ensures the project's viability and long-term success. Once the school has been completed, furnished, and stocked with supplies, CAI remains connected to the people, providing financial and educational support until the local government can sustain the school's costs on its own.



Scholarships

Central Asia Institute awards primary, secondary, and advanced-education scholarships. When students complete the highest level of education available in their village, many of them, especially girls, have no opportunity to continue their education. Students who are interested in advancing their studies in a larger town, but are financially incapable of doing so, can apply through the local CAI community project manager for a scholarship. Scholarships include room, board, tuition, school supplies, textbooks, uniforms, and paid travel to and from school. The advanced-education scholarships support many areas of training, including healthcare, computer technology, law, business, communications, and education.

Teachers

Community participation and a dedicated local teacher are two of the key ingredients for successfully establishing education in a remote village. In Northern Pakistan and other regions CAI serves, there is little government or other outside support for teachers. Prior to CAI's involvement, many of the teachers in these areas were volunteers. CAI has been able to make a profound difference simply by providing funding for stable salaries. Due to the significant problem of few highly qualified teachers in the region, community program managers often work with communities to identify and hire a local educated person – even if that person's education is limited. CAI then provides funds whenever and wherever possible. Although local communities and federal governments own completed projects, CAI still provides financial support in many cases. Funding the hiring of a local teacher ensures community involvement and investment in their children's education, and the teacher also has his/her own community ties and personal reasons to stay in the area.



Public Health

In conjunction with education projects, CAI assists communities in addressing urgent public health needs. We do this by funding clean water projects, healthcare programs, and disaster relief.

Water Projects: In developing countries, one of the main causes of death in children under 5 years of age is the basic lack of clean water. The children that do survive the ill effects of waterborne diseases often suffer from stunted growth and development. Clean drinking water and sanitation have profound benefits for communities, families, and children.

Healthcare Programs: CAI provides funds for healthcare training, supplies, infirmaries, dispensaries, and women's healthcare workers. CAI-supported midwifery training helps curb maternal and infant mortality. The work of one maternal healthcare worker can significantly reduce infant mortality rates in remote mountain villages. In Afghanistan the average life expectancy for women is 45 years, and many of those years are spent bearing and raising children. Afghan women bear an average of six children, and one in every 11 women dies giving birth.

In October 2010, Gilgit-Baltistan Chief Minister Syed Mehdi Shah wrote a personal letter of gratitude to CAI for being one of few NGOs to reach out in the region following the historic floods.



Photo: CAI, 2010.

Disaster Relief: In rare cases, CAI has stepped forward to help with educational and humanitarian support following natural disasters in the areas where we work. Those include the devastating earthquake in Pakistan-controlled Kashmir in 2005, the historic floods that swept Pakistan in 2010, and the avalanches that plagued Northeast Afghanistan during the 2011-2012 winter. National governments, UN agencies and nongovernmental organizations helped to meet immediate needs for water and sanitation, nutrition, and shelter. CAI focused on providing funds and other appropriate assistance — tent schools, scholarships and school reconstruction — to keep children in school and on track academically and ensure they and their families did not suffer inordinately or unnecessarily.

Women's Vocational Centers & Literacy Centers

Empowering women in remote villages is an important goal of CAI's work. Over the years, CAI has funded and supported numerous women's vocational centers that provide skill, training, equipment, and materials. Women can earn their own income from the sale of handicrafts and clothing to help support their families, which in turn stimulates the local economy and empowers women in societies where their opportunities are limited. CAI has also found that, in addition to building basic skills and literacy, the centers become important places for women to come together in their communities, share concerns, and solve problems.



CAI has also funded and continues to support literacy centers that provide female students of all ages with free daily lessons in basic literacy, hygiene, sanitation, and nutrition, educating them to about a fourth-grade level. In Afghanistan, the centers are often located in private homes, where women can gather safely and uninterrupted. CAI pays the teachers' salaries, and provides all textbooks, notebooks, pencils, and erasers.

Young women are the single biggest potential agents of change in the developing world, a phenomenon that is sometimes referred to as the Girl Effect. No other factor even comes close to matching the cascade of positive changes triggered by teaching a single girl how to read and write. In military parlance, girls' education is a force multiplier.

- Greg Mortenson

CAI's Global Outreach Program

Our outreach worldwide promotes awareness of the importance of primary education, literacy, and cross-cultural understanding about the remote mountain regions and communities of Central Asia. This is manifested and achieved with our websites, public events, publications, the Pennies for Peace program, and Greg Mortenson's books, *Three Cups of Tea* and *Stones into Schools*.



Photo courtesy Mailou Eng, JOH 2010.



Pennies for Peace is an international service-learning program within CAI designed to help students broaden their cultural horizons and learn about their capacities as philanthropists. It educates students about the world beyond their experience and shows them that they can make a positive impact on a global scale, one penny at a time. Students learn the rewards of sharing and working together to bring hope and education opportunities to the children in Pakistan and Afghanistan. While a penny is virtually worthless in the United States, in impoverished countries a penny buys a pencil and opens the door to literacy. Literacy, for both boys and girls, provides better economic opportunities in the future and neutralizes the power of despot mullahs and other extremist leaders.

I love the message of Pennies for Peace and the lessons it teaches. - NEA teacher



Three Cups of Tea and Stones into Schools:

Below is a summary of the benefits CAI has received from costs related to book promotions. These benefits include an increased number of supporters, increased contributions, and an increased understanding and awareness of the mission of CAI: promoting peace through education and conveying the importance of its activities globally. CAI would not have received such significant benefits without the publication of the books and their associated expenses.

The release dates of Greg Mortenson's books are as follows:

Three Cups of Tea Hardcover: March 2006

Three Cups of Tea Paperback: February 2007

Three Cups of Tea Young Adult Edition: January 2009

Listen to the Wind: January 2009

Stones into Schools Hardcover: December 2009

Stones into Schools Paperback: October 2010

Total CAI revenues from contributions, events, sales of merchandise, and honorariums for the years covering the book release dates are as follows:

Fiscal Year October 1, 2005 – September 30, 2006 = \$1,541,711

Fiscal Year October 1, 2006 – September 30, 2007 = \$3,660,538

Fiscal Year October 1, 2007 – September 30, 2008 = \$13,101,295

Fiscal Year October 1, 2008 – September 30, 2009 = \$13,679,761

Fiscal Year October 1, 2009 – September 30, 2010 = \$22,909,958

Fiscal Year October 1, 2010 – September 30, 2011 = \$15,554,500



Total Supporters for the years covering the book release dates are as follows:

At the Fiscal Year End September 30, 2006 – 16,260

At the Fiscal Year End September 30, 2007 – 25,258
(8,998 New Supporters)

At the Fiscal Year End September 30, 2008 – 66,530
(41,272 New Supporters)

At the Fiscal Year End September 30, 2009 – 113,801
(47,271 New Supporters)

At the Fiscal Year End September 30, 2010 – 171,108
(57,307 New Supporters)

At the Fiscal Year End September 30, 2011 – 203,876
(32,876 New Supporters)



Global Outreach inspired people in the following countries to donate to CAI's programs

Afghanistan
Argentina
Australia
Austria
Azerbaijan
Bahamas
Bahrain
Bangladesh
Barbados
Belgium
Belize
Bermuda
Botswana
Brazil
Brunei
Bulgaria
Cambodia
Canada

Cayman Islands (UK)
Chile
China
Colombia
Costa Rica
Croatia
Cyprus
Czech Republic
Denmark
Ecuador
Egypt
England
Estonia
Faroe Islands
(Denmark)
Finland
France
Germany

Greece
Guam (US)
Guatemala
Guernsey (UK)
Honduras
Hong Kong
Hungary
Iceland
India
Indonesia
Ireland
Israel
Italy
Jamaica
Japan
Jordan
Kenya
Kuwait

Kyrgyzstan
Lebanon
Luxembourg
Malaysia
Malta
Mexico
Morocco
Nepal
Netherlands
New Zealand
Northern Ireland
Northern Mariana
Islands (US)
Norway
Oman
Pakistan
Panama
Philippines

Poland
Portugal
Puerto Rico (US)
Qatar
Romania
Russia
Samoa
Saudi Arabia
Scotland
Serbia
Singapore
Slovakia
Slovenia
South Africa
South Korea
Spain
Sri Lanka
Sweden

Switzerland
Taiwan
Tanzania
Thailand
Trinidad & Tobago
Turkey
Turks & Caicos Islands
(UK)
Ukraine
United Arab Emirates
United States
Uruguay
Venezuela
Vietnam
Virgin Islands (US)

Central Asia Institute Project Areas



Kona Kurgan High School
Murghab District, GBAO



Tergaran High School
Badakhshan Province



Musakhil Girls' Primary School
Parwan Province



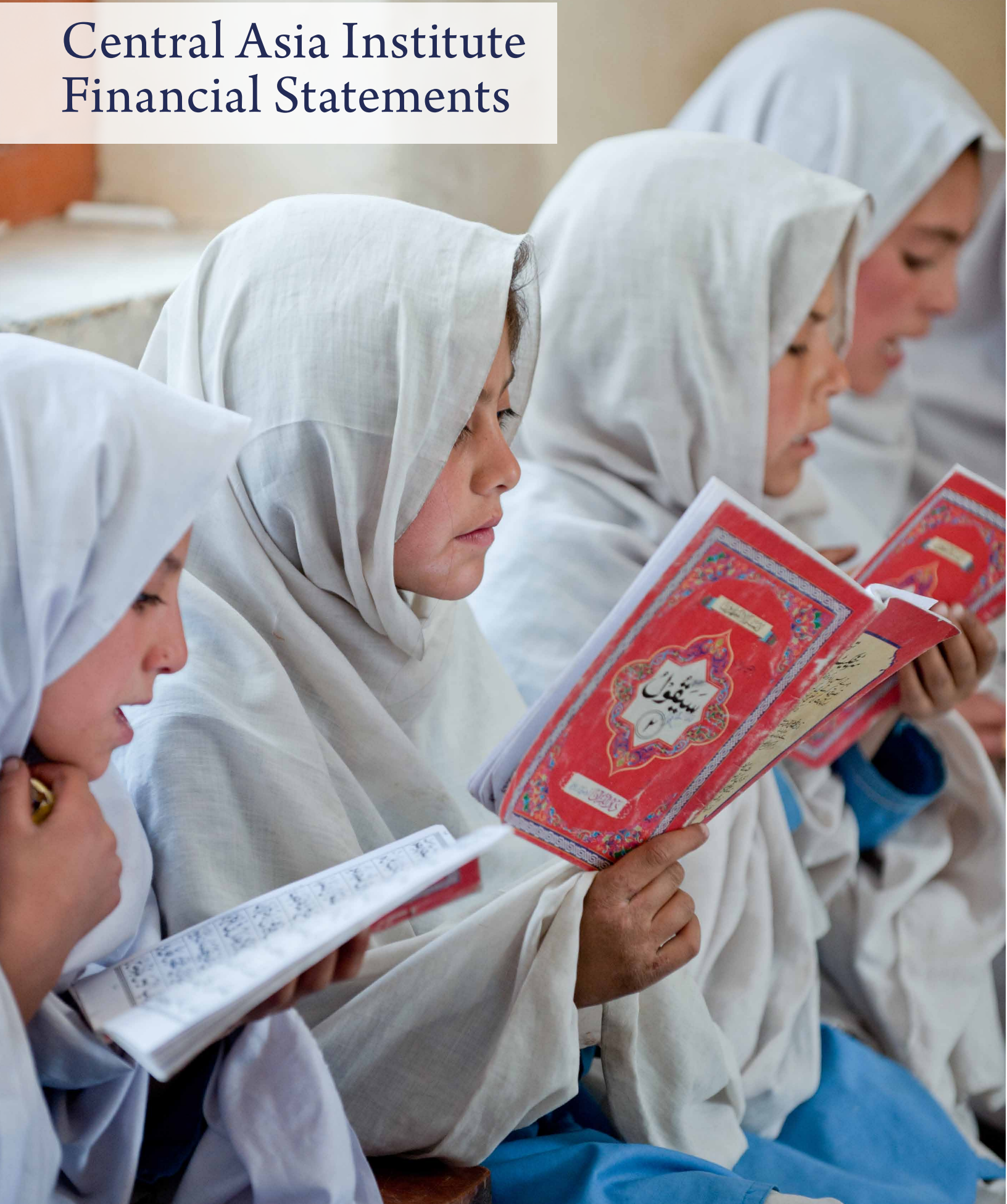
Barswat Primary School
Ghizer District

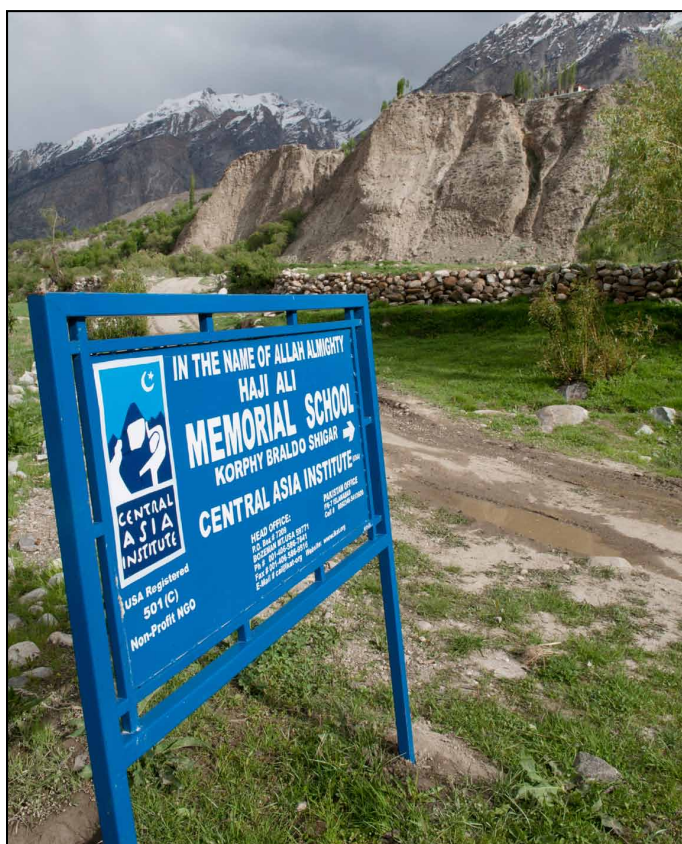


Bhamber Girls' Middle School
Punjab Province



Central Asia Institute Financial Statements





Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When temporary restrictions expire, temporarily restricted assets are reported in the statement of activities as net assets released from restriction.

CAI accounts for its net assets in the following categories:

- Unrestricted net assets - Net assets not subject to donor-imposed stipulations.

- Board Designated Unrestricted Net Assets - The Talim Fund (Pashto word meaning education) is a Board-designated fund established to provide sustainability of CAI's overseas projects and program delivery.

- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of CAI and/or the passage of time.

- Permanently restricted net assets - Net assets for which the donor's stipulated principal is to be maintained in perpetuity. The earnings of these funds are unrestricted and are allocable for specific purposes by CAI's Board of Directors. Net appreciation (depreciation) on permanently restricted funds is included as a change in unrestricted net assets.

Overseas Grantee Monitoring

CAI distributes funds and assists local, indigenous parties (grantees) that engage in activities and programs who further CAI's stated charitable purposes or are otherwise consistent with CAI's stated charitable purposes.

Monitoring and reporting is conducted through CAI's staff visits to Pakistan, Afghanistan, and Tajikistan. Meetings are held between CAI's staff, community program managers, and a local independent accounting firm retained by CAI. These meetings help all involved understand the activities and structure of operations in Pakistan, Afghanistan, and Tajikistan, documenting the generally accepted business methods and accounting for transactions. This includes an understanding of: payment flows, documentation of formal contracts with those involved in program activities, and business methods with respect to contracts and invoice documentation for program activities (school buildings, water projects, healthcare, scholarships, teacher support, women's vocational centers, literacy centers, and community support).

Please see www.ikat.org/about-cai/financials for audited financial statements.

We are built to be in community with one another. CAI has built bridges to communities most of us have yet to dream of.

- Patrick Jones
CAI Supporter



Statement of Financial Position

As of September 30, 2011 and September 30, 2010

ASSETS

CURRENT ASSETS	FY2011	FY2010
Cash and cash equivalents	\$ 3,432,646	\$ 2,807,235
Certificates of deposit	6,207,900	10,209,849
Investments in marketable debt and equity securities	15,280,783	9,464,656
Prepaid expenses	51,505	208,744
Accrued interest receivable	65,931	33,699
Pledges receivable, current	11,083	26,148
Related party receivable	8,496	75,276
<i>TOTAL CURRENT ASSETS</i>	25,058,344	22,825,607
NON-CURRENT ASSETS		
Investment in land	115,000	600,000
Property and equipment, net	559,958	578,094
Pledges receivable, net of current portion	2,975	14,168
<i>TOTAL NON-CURRENT ASSETS</i>	677,933	1,192,262
<i>TOTAL ASSETS</i>	\$ 25,736,277	\$ 24,017,869

LIABILITIES AND NET ASSETS

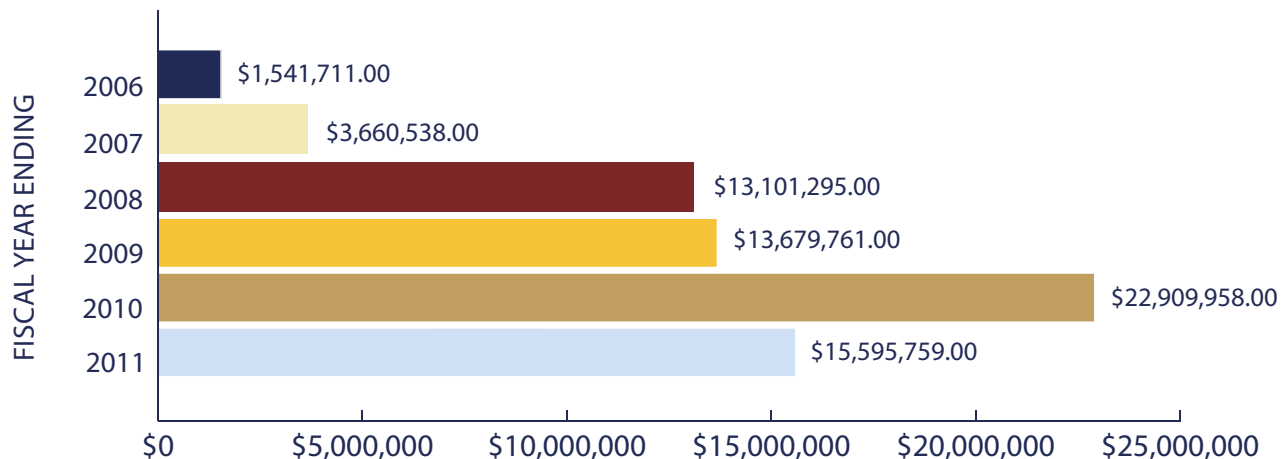
CURRENT LIABILITIES	FY2011	FY2010
Accounts payable	\$ 195,751	\$ 262,008
Accrued liabilities	35,755	32,031
Compensated absences	43,105	57,079
Current portion of long-term debt	7,567	8,321
<i>TOTAL CURRENT LIABILITIES</i>	282,178	359,439
NON-CURRENT LIABILITIES		
Long-term debt, net of current portion	186,775	194,342
<i>TOTAL LIABILITIES</i>	468,953	553,781
NET ASSETS		
Unrestricted:		
Board designated for Talim fund	12,000,000	12,000,000
Unrestricted	8,238,971	4,627,434
Temporarily restricted	5,028,353	6,836,654
<i>TOTAL NET ASSETS</i>	25,752,324	23,464,088
<i>TOTAL LIABILITIES AND NET ASSETS</i>	\$ 25,736,277	\$ 24,017,869

Statement of Activities and Changes in Net Assets

As of September 30, 2011

REVENUES AND SUPPORT	UNRESTRICTED	TEMPORARILY UNRESTRICTED	TOTALS
Contributions and related event revenue	\$ 11,928,194	\$ 3,603,421	\$ 15,531,615
Sales of merchandise	63,281	-	63,281
Honorariums	863	-	863
Investment income, net	284,030	-	240,030
Unrealized loss - other investments	(485,000)	-	(485,000)
REVENUE AND SUPPORT BEFORE NET ASSETS RELEASED FROM RESTRICTIONS	11,791,368	3,603,421	15,394,789
NET ASSETS RELEASED FROM RESTRICTIONS	5,411,722	(5,411,722)	-
<i>TOTAL REVENUES AND SUPPORT</i>	17,203,090	(1,808,301)	15,394,789
EXPENSES			
Program Services:			
Global outreach program	4,426,538	-	4,426,538
Overseas education and projects	6,495,735	-	6,495,735
<i>TOTAL PROGRAM SERVICES</i>	10,922,273	-	10,922,273
Supporting services:			
General and administration	1,973,891	-	1,973,891
Fundraising	695,389	-	695,389
<i>TOTAL EXPENSES</i>	13,591,553	-	13,591,553
CHANGE IN NET ASSETS	3,611,537	(1,808,301)	1,803,236
NET ASSETS, beginning of year	16,627,434	6,836,654	23,464,088
NET ASSETS, end of year	\$ 20,238,971	\$ 5,028,353	\$ 25,267,324

Revenues and Support



Statement of Activities and Changes in Net Assets

As of September 30, 2010

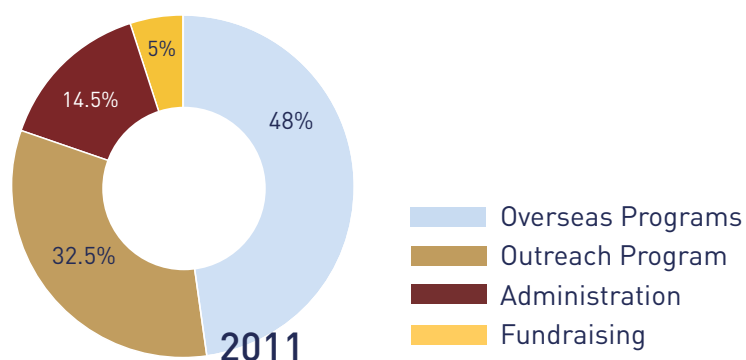
REVENUES AND SUPPORT	UNRESTRICTED	TEMPORARILY UNRESTRICTED	TOTALS
Contributions and related event revenue	\$ 14,818,650	\$ 8,062,293	\$ 22,880,943
Sales of merchandise	16,398	-	16,398
Honorariums	12,617	-	12,617
Investment income, net	324,625	-	324,625
Unrealized loss - other investments	-	-	-
REVENUE AND SUPPORT BEFORE NET ASSETS RELEASED FROM RESTRICTIONS	4,197,902	(4,197,902)	-
<i>TOTAL REVENUES, SUPPORT, AND SATISFACTION OF TEMPORARY RESTRICTIONS</i>	19,370,192	3,864,391	23,234,583
EXPENSES			
Program Services:			
Global outreach program	7,343,098	-	7,343,098
Overseas education and projects	5,096,153	-	5,096,153
<i>TOTAL PROGRAM SERVICES</i>	12,439,251	-	12,439,251
Supporting services:			
General and administration	1,073,617	-	1,073,617
Fundraising	1,062,495	-	1,062,495
<i>TOTAL EXPENSES</i>	14,575,363	-	14,573,363
CHANGE IN NET ASSETS	4,794,829	3,864,391	8,659,220
NET ASSETS, beginning of year	11,832,605	2,972,263	14,804,868
NET ASSETS, end of year	\$ 16,627,434	\$ 6,836,654	\$ 23,464,088

Statement of Functional Expenses

As of September 30, 2011

	PROGRAMS				2011 TOTALS
	GLOBAL OUTREACH PROGRAM	OVERSEAS EDUCATION AND PROJECTS	GENERAL AND ADMINISTRATION	FUNDRAISING	
Advertising and promotion	\$ 1,119,969	\$ -	\$ -	\$ 22,147	\$ 1,142,116
Depreciation	-	-	18,136	-	18,136
Donations	10,500	-	20,773	865	32,138
Events	144,166	-	5,340	155,459	304,965
Fees, permits, and memberships	10,105	-	239,837	-	249,942
Film and video	30,096	-	703	1,154	31,953
Insurance	-	-	22,807	-	22,807
Miscellaneous	-	-	120	-	120
Occupancy	5,426	-	90,523	-	95,949
Office supplies	1,423	-	21,309	120	22,852
Overseas grants	-	6,425,580	1,011	-	6,426,591
Personnel costs	276,217	63,655	368,115	147,930	855,917
Postage and delivery	136,056	-	173,184	125,100	434,340
Printing and reproduction	698,147	-	229	24,475	722,851
Professional fees	243,062	6,500	954,512	78,318	1,282,392
Book purchases and other resources	783,943	-	6,847	-	790,790
Repairs and maintenance	10,814	-	12,599	5,088	28,501
Technology	7,182	-	3,195	-	10,377
Training and conferences	-	-	139	-	139
Travel	949,432	-	34,512	134,733	1,118,677
TOTAL FUNCTIONAL EXPENSES	\$ 4,426,538	\$ 6,495,735	\$ 1,973,891	\$ 695,389	\$ 13,591,553

Distributions

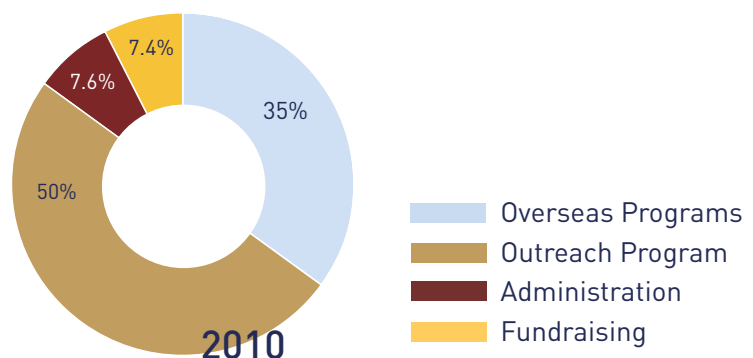


Statement of Functional Expenses

As of September 30, 2010

	PROGRAMS			FUNDRAISING	2010 TOTALS
	GLOBAL OUTREACH PROGRAM	OVERSEAS EDUCATION AND PROJECTS	GENERAL AND ADMINISTRATION		
Advertising and promotion	\$ 2,484,179	\$ -	\$ 199	\$ 29,254	\$ 2,513,632
Depreciation	-	-	18,136	-	18,136
Donations	59	-	45,849	297	46,205
Events	141,586	-	39,762	311,061	492,409
Fees, permits, and memberships	17,508	-	260,023	-	277,531
Film and video	66,537	-	3,448	1,330	71,315
Insurance	-	-	19,127	-	19,127
Occupancy	2,892	-	89,625	18	92,535
Office supplies	2,795	-	34,534	-	37,329
Overseas educational grants	19,695	4,979,515	-	-	4,999,210
Personnel costs	278,994	68,568	228,238	172,160	747,960
Postage and delivery	113,917	-	8,699	160,000	282,616
Printing and reproduction	210,889	-	48,107	81,480	340,476
Professional fees	296,238	48,070	215,888	73,610	633,806
Book purchases and other resources	1,676,113	-	13,124	6,497	1,695,734
Repairs and maintenance	430	-	33,734	22,117	56,281
Technology	9,758	-	3,195	-	12,953
Training and conferences	-	-	25	-	25
Travel	2,021,508	-	11,904	204,671	2,238,083
TOTAL FUNCTIONAL EXPENSES	\$ 7,343,098	\$ 5,096,153	\$ 1,073,617	\$ 1,062,495	\$ 14,575,363

Distributions



Statement of Cash Flows

As of September 30, 2011 and September 30, 2010

OPERATING ACTIVITIES	FY2011	FY2010
Change in net assets	\$ 1,803,236	\$ 8,659,220
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	18,136	18,136
Reinvested investment income	(251,823)	(231,952)
Donated marketable equity securities	(249,533)	(791,584)
Unrealized (gain) loss on investments	452,774	(19,542)
Change in operating assets and liabilities:		
Prepaid expenses	157,239	(187,335)
Accrued interest receivable	(32,232)	31,003
Pledges receivable	26,258	(40,316)
Employee advance	-	1,200
Related party receivable	66,780	(75,276)
Accounts payable	(66,257)	169,085
Accrued and other liabilities	(10,251)	30,397
<i>NET CASH FROM OPERATING ACTIVITIES</i>	1,914,327	7,563,036
INVESTING ACTIVITIES		
Purchases of investments	(5,794,276)	(4,096,965)
Purchases of certificates of deposit	-	(7,000,000)
Proceeds from sales of investments	314,141	717,813
Proceeds from matured certificates of deposit	4,199,539	4,144,810
<i>NET CASH FROM INVESTING ACTIVITIES</i>	(1,208,596)	(6,234,342)
FINANCING ACTIVITIES		
Repayment of long term debt	(8,320)	(7,202)
<i>NET CASH FROM FINANCING ACTIVITIES</i>	(8,320)	(7,202)
Change in Cash and Cash Equivalents	625,411	1,321,492
CASH AND CASH EQUIVALENTS, beginning of year	2,807,235	1,485,743
CASH AND CASH EQUIVALENTS, end of year	\$ 3,432,646	\$ 2,807,235
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS		
Cash paid for interest	\$ 8,314	\$ 10,406
Donated marketable equity securities	\$ 249,533	\$ 791,584



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