

INNER-CITY SCHOLARSHIP FUND, INC.

Financial Statements and Schedules

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

(With Independent Auditors' Report Thereon)

Independent Auditors' Report

The Board of Trustees
Inner-City Scholarship Fund, Inc.:

We have audited the accompanying financial statements of Inner-City Scholarship Fund, Inc., which comprise the balance sheet as of August 31, 2013, and the related statements of activities and cash flows for the year 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 U.S. generally accepted accounting principles; 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 audit. We conducted our audit 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 from 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 organization'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 organization'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 Inner-City Scholarship Fund, Inc. as of August 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Inner-City Scholarship Fund, Inc.'s 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 5, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in schedules 1 and 2 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 audit 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.

KPMG LLP

February 11, 2014

INNER-CITY SCHOLARSHIP FUND, INC.

Balance Sheet

August 31, 2013

(with comparative financial information as of August 31, 2012)

Assets	2013	2012
Cash and cash equivalents	\$ 1,766,828	2,147,008
Loans to Parish Assistance Corporation (note 3)	805,660	2,376,340
Contributions receivable, net (note 5)	2,039,155	3,295,098
Investments (note 4)	12,317,218	10,367,338
Fixed assets, net of accumulated depreciation of \$65,753 and \$41,677 in 2013 and 2012, respectively	180,575	236,168
Other assets	217,884	205,979
Total assets	<u>\$ 17,327,320</u>	<u>18,627,931</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 273,471	231,185
Payable to the Archdiocese of New York (note 6)	245,979	528,577
Financial aid grants due to individual schools	—	88,100
Total liabilities	<u>519,450</u>	<u>847,862</u>
Net assets (notes 8 and 9):		
Unrestricted	3,738,165	4,596,227
Temporarily restricted	7,222,373	7,336,510
Permanently restricted	5,847,332	5,847,332
Total net assets	<u>16,807,870</u>	<u>17,780,069</u>
Total liabilities and net assets	<u>\$ 17,327,320</u>	<u>18,627,931</u>

See accompanying notes to financial statements.

INNER-CITY SCHOLARSHIP FUND, INC.

Statement of Activities

Year ended August 31, 2013

(with summarized financial information for the year ended August 31, 2012)

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>2013 total</u>	<u>2012 total</u>
Revenues:					
Contributions and bequests (note 5)	\$ 2,294,505	8,985,032	—	11,279,537	12,623,634
Special events, net of direct donor benefits of \$597,188 and \$565,910 in 2013 and 2012, respectively	2,320,731	—	—	2,320,731	2,191,795
Interest and dividend income	223,637	411,411	—	635,048	678,629
Net (loss) gain on investments	(221,166)	(254,314)	—	(475,480)	199,826
Net assets released from restrictions	9,256,266	(9,256,266)	—	—	—
Total revenues	<u>13,873,973</u>	<u>(114,137)</u>	<u>—</u>	<u>13,759,836</u>	<u>15,693,884</u>
Expenses (note 6):					
Program services:					
Grants:					
Externally managed scholarships (administered by the Children's Scholarship Fund)	6,497,943	—	—	6,497,943	6,507,989
Internally managed scholarships	4,715,551	—	—	4,715,551	4,249,222
Financial aid grants	358,920	—	—	358,920	305,349
Young Executive Supporting Schools (YESS) grants	245,326	—	—	245,326	242,419
Other grants	135,000	—	—	135,000	188,672
Program administration:					
Scholarship programs	391,560	—	—	391,560	430,226
Other programs	167,591	—	—	167,591	95,041
Total program services	<u>12,511,891</u>	<u>—</u>	<u>—</u>	<u>12,511,891</u>	<u>12,018,918</u>
Supporting services:					
General and administrative	730,037	—	—	730,037	773,013
Development:					
Donor relations	528,579	—	—	528,579	506,860
Advertising and communications	812,079	—	—	812,079	801,395
Special events supporting services	149,449	—	—	149,449	115,114
Total development	<u>1,490,107</u>	<u>—</u>	<u>—</u>	<u>1,490,107</u>	<u>1,423,369</u>
Total supporting services	<u>2,220,144</u>	<u>—</u>	<u>—</u>	<u>2,220,144</u>	<u>2,196,382</u>
Total expenses	<u>14,732,035</u>	<u>—</u>	<u>—</u>	<u>14,732,035</u>	<u>14,215,300</u>
(Decrease) increase in net assets	(858,062)	(114,137)	—	(972,199)	1,478,584
Net assets at beginning of year	4,596,227	7,336,510	5,847,332	17,780,069	16,301,485
Net assets at end of year	\$ <u>3,738,165</u>	<u>7,222,373</u>	<u>5,847,332</u>	<u>16,807,870</u>	<u>17,780,069</u>

See accompanying notes to financial statements.

INNER-CITY SCHOLARSHIP FUND, INC.

Statement of Cash Flows

Year ended August 31, 2013

(with comparative financial information for the year ended August 31, 2012)

	2013	2012
Cash flows from operating activities:		
(Decrease) increase in net assets	\$ (972,199)	1,478,584
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities:		
Net loss (gain) on investments	475,480	(199,826)
Depreciation	24,076	38,827
Contributions for endowment	—	(15,332)
Changes in operating assets and liabilities:		
Contributions receivable	1,255,943	106,914
Other assets	(11,905)	(10,930)
Accounts payable and accrued expenses	42,286	166,913
Payable to the Archdiocese of New York	(251,081)	215,654
Financial aid grants due to individual schools	(88,100)	(16,313)
Net cash provided by operating activities	474,500	1,764,491
Cash flows from investing activities:		
Increase in loans to Parish Assistance Corporation	—	(1,027,642)
Repayments of loans to Parish Assistance Corporation	1,570,680	1,000,000
Purchase of fixed assets	—	(220,845)
Change in payable to the Archdiocese of New York for purchase of fixed assets	—	195,079
Purchase of investments	(2,729,400)	(1,937,759)
Proceeds from sale of investments	304,040	242,381
Net cash used in investing activities	(854,680)	(1,748,786)
Cash flows from financing activities:		
Contributions for endowment	—	15,332
Net cash provided by financing activities	—	15,332
Net (decrease) increase in cash and cash equivalents	(380,180)	31,037
Cash and cash equivalents at beginning of year	2,147,008	2,115,971
Cash and cash equivalents at end of year	\$ 1,766,828	2,147,008

See accompanying notes to financial statements.

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

(1) Organization

Inner-City Scholarship Fund, Inc. (ICSF) is a not-for-profit organization exempt from Federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. ICSF provides families with demonstrable financial need the opportunity to give their children a values-based K-12 Catholic education within the Archdiocese of New York. ICSF exists to ensure that the gift of a Catholic school education continues to be a viable option for current and future generations of students of all faiths.

ICSF's scholarship programs are all need based. The Be A Student's Friend (BASF) program matches a willing sponsor with a low-income student. BASF supporters can opt to be anonymous and receive periodic reports on a student's progress or they can choose to get to know the student personally.

In addition, since the 2005 – 2006 academic year, ICSF has used a portion of the funds raised to help underwrite a scholarship program administered by the Children's Scholarship Fund, an unaffiliated not-for-profit organization, that was established to address the decline in enrollment at Catholic schools by providing scholarships to students who transfer into an Archdiocese of New York inner city school from a public school.

As each family awarded a scholarship must qualify for continued support annually, no liability has been reflected in the financial statements for ICSF's commitment to share in the on-going cost associated with children who continue to qualify for the scholarship in the future. ICSF has conditionally committed approximately \$5.4 million for the 2013-2014 academic year.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables and payables. Other significant accounting policies are set forth below.

(b) Basis of Presentation

ICSF's net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of ICSF and changes therein are classified and reported as follows:

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

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of ICSF or by the passage of time. ICSF follows the provisions of Accounting Standards Codification (ASC) 958, Section 205-45, *Classification of Donor Restricted Endowment Funds Subject to UPMIFA*, which requires the portion of a donor restricted endowment fund that is not classified as permanently restricted to be classified as temporarily restricted net assets until appropriated for expenditure in a manner consistent with

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

the standard of prudence prescribed by New York Prudent Management of Institutional Funds Act (NYPMIFA).

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by ICSF. Generally, the donors of these assets permit ICSF to use all or part of the income earned on related investments to support financial aid grants.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

(c) *Cash and Cash Equivalents*

ICSF considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents except for those short-term instruments, if any, maintained in the Archdiocesan Common Investment Fund (see note 4).

(d) *Contributions*

Contributions, including unconditional promises to give, are recognized when received. Unconditional promises are recorded net of an allowance for amounts deemed uncollectible and a present value discount.

(e) *Fair Value Measurements*

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Inputs to the valuation techniques used to measure fair value are prioritized by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 – valuation inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that ICSF has the ability to access at measurement date.

Level 2 – valuation inputs are inputs other than quoted prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.

Level 3 – valuation inputs are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

fair value of investments is discussed in note 4. The carrying value of ICSF's short-term financial instruments approximates fair value because of their short maturity. The carrying value of contributions receivable approximates its fair value. These estimated fair values, however, involves unobservable inputs considered to be Level 3 in the fair value hierarchy.

(f) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(g) Comparative Financial Information

The accompanying statement of activities is presented with 2012 comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with ICSF's 2012 financial statements, from which the summarized information was derived.

(h) Reclassifications

Certain 2012 amounts have been reclassified to conform to the 2013 presentation.

(3) Loans to Parish Assistance Corporation

Amounts loaned to Parish Assistance Corporation earned interest at a rate of 1.50% during fiscal year 2013 and 3.34% during fiscal year 2012 and are payable on demand. Interest income was \$30,200 and \$78,626 in 2013 and 2012, respectively. The carrying amount approximates fair value.

(4) Investments

Investments are reported at fair value with realized and unrealized gains and losses included in the statement of activities.

Investments at August 31, 2013 and 2012 consist of the following:

	<u>2013</u>	<u>2012</u>
PIMCO All Asset fund	\$ 11,802,236	9,910,299
Archdiocesan Common Investment Fund (the Fund)	514,982	457,039
	<u>\$ 12,317,218</u>	<u>10,367,338</u>

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

The PIMCO All Asset fund invests all of its assets in other PIMCO funds and seeks maximum real return, consistent with preservation of real capital. Fair value is based on quoted market price and is classified as Level 1 in the fair value hierarchy.

ICSF participates with other Archdiocesan entities in the Fund, which allows for additions and redemptions monthly. The Fund is invested in structured fixed income and equity portfolios managed by the Bank of New York Mellon and designed to replicate the Barclays Aggregate Bond Index and the S&P 500 Index, respectively, of which the underlying investments are screened for compliance with the Archdiocesan Socially Responsible Investing Policy, and valued by the Fund based on the value of its underlying investments, which are readily marketable. Investment income and net gains or losses on sales of securities and unrealized appreciation or depreciation in fair value of investments are credited monthly to ICSF's account based on its pro rata participation in the Fund. The Fund's total investments, which are classified as principally Level 1 in the fair value hierarchy, at August 31, 2013 and 2012 are summarized as follows:

	2013	2012
Cash equivalents	\$ 4,986,146	5,037,034
Fixed-income securities	55,129,713	49,564,140
Equity securities	108,642,234	91,884,409
	\$ 168,758,093	146,485,583

At August 31, 2013 and 2012, ICSF's investment in the Fund was allocated as follows:

	2013	2012
Cash equivalents	\$ 12,398	20,413
Fixed-income securities	189,273	183,997
Equity securities	313,311	252,629
	\$ 514,982	457,039

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

(5) Contributions Receivable

Contributions receivable consist of the following at August 31, 2013 and 2012:

	2013	2012
Amounts expected to be collected in:		
Less than one year	\$ 985,087	1,961,081
One to five years	1,150,000	1,500,000
	2,135,087	3,461,081
Less discount at 5.75%	(95,932)	(165,983)
	\$ 2,039,155	3,295,098

At August 31, 2013 and 2012, the amounts receivable from one and two donors, respectively, represent approximately 70% and 80% of the gross receivable.

During 2007, ICSF received a grant not to exceed \$22,500,000 through August 31, 2013, which is providing funding for scholarships to students demonstrating financial need in accordance with the guidelines of the Cardinal's Scholarship Program. In fiscal 2013, ICSF has received a commitment from this funder to provide an additional \$11.7 million through fiscal 2019 as follows: \$2.5 million in fiscal 2013, \$2.6 million in fiscal 2014, \$2.3 million in fiscal 2015, \$1.9 million in fiscal 2016, \$1.3 million in fiscal 2017, \$0.8 million in fiscal 2018, and \$0.3 million in fiscal 2019. As the receipt of future amounts is conditional, revenue is recognized as conditions are met. ICSF recognized approximately \$3.4 million and \$4.3 million in fiscal 2013 and 2012, respectively under these grant agreements.

(6) Payable to the Archdiocese of New York

The payable to the Archdiocese of New York represents amounts due for items such as salaries, benefits, rent, data services, and other allocated services. The amounts charged for such services approximated \$1,541,000 and \$1,454,000 in 2013 and 2012, respectively. At August 31, 2013, the payable includes approximately \$164,000 of leasehold improvement costs paid by the Archdiocese in 2012.

(7) Pension Plan

ICSF employees who satisfy age and service requirements participate in the noncontributory defined benefit Archdiocesan Pension Plan and the Archdiocesan Supplemental Qualified Pension Plan. Total pension expense was \$64,531 and \$50,102 in 2013 and 2012, respectively. Because these operate as multiemployer plans, information as to vested and nonvested earned benefits, as well as plan assets, as they relate ICSF employees, is not readily available.

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

The following table discloses the name and funded status of the plans as of December 31, 2012. (the date of the last actuarial valuation):

<u>Legal name and plan number</u>	<u>EIN</u>	<u>Accumulated benefit obligation</u>	<u>Market value plan assets</u>
The Archdiocesan Pension Plan for the Archdiocese of New York	25-1926855	\$ 1,339,498,056	\$ 1,022,055,626
The Archdiocesan Supplemental Qualified Pension Plan for the Archdiocese of New York	25-1926855	\$ 3,284,504	\$ 692,522

(8) Net Assets

Temporarily restricted net assets at August 31, 2013 and 2012 are available for the following purposes:

	<u>2013</u>	<u>2012</u>
Cardinal's Scholarship Program	\$ 1,450,213	1,875,742
Be A Student's Friend grants and program	3,767,556	3,339,953
Financial aid for schools	1,815,347	1,987,809
Gift annuities held by Archdiocese of New York for the benefit of ICSF	189,257	133,006
	<u>\$ 7,222,373</u>	<u>7,336,510</u>

Income on permanently restricted net assets at August 31, 2013 and 2012 is restricted for the following purposes:

Be A Student's Friend grants and program	\$ 5,476,332
Financial aid for schools	371,000
	<u>\$ 5,847,332</u>

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

(9) Endowment

ICSF's endowment consists of five donor-restricted funds, three temporarily restricted board-designated funds, and one unrestricted board-designated fund, and its composition by net asset category as of August 31, 2013 and 2012 is as follows:

		2013			
		<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted	\$	—	871,643	5,847,332	6,718,975
Board-designated		3,738,165	509,655	—	4,247,820
	\$	<u>3,738,165</u>	<u>1,381,298</u>	<u>5,847,332</u>	<u>10,966,795</u>
		2012			
		<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Donor-restricted	\$	—	1,023,840	5,847,332	6,871,172
Board-designated		4,603,864	469,946	—	5,073,810
	\$	<u>4,603,864</u>	<u>1,493,786</u>	<u>5,847,332</u>	<u>11,944,982</u>

Changes in endowment net assets for the years ended August 31, 2013 and 2012 are as follows:

		2013			
		<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Total</u>
Endowment net assets, August 31, 2012	\$	4,603,864	1,493,786	5,847,332	11,944,982
Contributions		—	34,460	—	34,460
Interest and dividend income		191,081	411,411	—	602,492
Net loss on investments		(221,166)	(254,314)	—	(475,480)
Appropriation for expenditure		(22,541)	(304,045)	—	(326,586)
Transfer		(813,073)	—	—	(813,073)
Endowment net assets, August 31, 2013	\$	<u>3,738,165</u>	<u>1,381,298</u>	<u>5,847,332</u>	<u>10,966,795</u>

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2013

(with summarized comparative financial information
as of and for the year ended August 31, 2012)

	2012			
	Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment net assets, August 31, 2011	\$ —	1,128,172	5,832,000	6,960,172
Contributions	—	—	15,332	15,332
Board approved additions	4,340,300	57,781	—	4,398,081
Interest and dividend income	207,073	436,416	—	643,489
Net gain on investments	86,028	113,798	—	199,826
Appropriation for expenditure	(29,537)	(242,381)	—	(271,918)
Endowment net assets, August 31, 2012	\$ 4,603,864	1,493,786	5,847,332	11,944,982

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the fund's historic dollar value. There were no deficiencies of this nature as of August 31, 2013 or 2012.

The endowment portfolio seeks maximum real return, consistent with preservation of real capital.

Annually, the Board of Trustees approves a spending rate on its donor-restricted endowment funds, which is applied to each fund's average value and is consistent with ICSF's priority of growing the endowment (preservation of purchasing power). For 2013, the Board of Trustees approved spending rates ranging from 4.00% to 5.25% on the various funds. The board has approved a spending rate of 6% on its board designated endowment funds in 2014.

(10) Subsequent Events

In connection with the preparation of the financial statements, ICSF evaluated subsequent events after the balance sheet date of August 31, 2013 through February 11, 2014, which was the date the financial statements were available to be issued and has concluded that there are no subsequent events for disclosure.

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Financial Aid Grants and Internally Managed Scholarships

Year ended August 31, 2013

	<u>Total</u>	<u>Financial Aid Grants</u>	<u>Internally Managed Scholarships</u>
Manhattan Elementary Grants:			
Annunciation	\$ 22,000	—	22,000
Ascension	29,500	(1,000)	30,500
Blessed Sacrament	12,000	—	12,000
Corpus Christi	25,000	—	25,000
Good Shepherd	12,000	—	12,000
Guardian Angel	28,000	—	28,000
Holy Cross	14,000	—	14,000
Holy Name of Jesus	26,000	—	26,000
Immaculate Conception	24,000	—	24,000
Incarnation	47,000	—	47,000
Mt. Carmel/Holy Rosary	44,000	3,000	41,000
Our Lady of Lourdes	152,560	105,560	47,000
Our Lady of Pompeii	13,000	—	13,000
Our Lady Queen of Angels	27,000	—	27,000
Our Lady Queen of Martyrs	22,000	—	22,000
Sacred Heart of Jesus	26,000	—	26,000
St. Aloysius	16,000	—	16,000
St. Ann	56,000	—	56,000
St. Brigid	23,000	1,000	22,000
St. Charles Borromeo	8,000	—	8,000
St. Elizabeth	29,000	—	29,000
St. Gregory the Great	12,000	—	12,000
St. James and Joseph – Monroe	16,000	—	16,000
St. Joseph's School – Yorkville	6,000	—	6,000
St. Jude	14,000	—	14,000
St. Mark the Evangelist	12,000	—	12,000
St. Paul – 118th Street	44,000	—	44,000
St. Rose of Lima	25,000	—	25,000
St. Stephen of Hungary	19,000	—	19,000
Transfiguration	16,000	—	16,000
Total Manhattan Elementary Grants	<u>820,060</u>	<u>108,560</u>	<u>711,500</u>
Bronx Elementary Grants:			
Blessed Sacrament	12,000	—	12,000
Christ the King	46,000	—	46,000
Holy Cross	32,000	—	32,000
Holy Family	14,000	—	14,000
Holy Rosary	6,000	—	6,000
Holy Spirit	24,000	—	24,000
Immaculate Conception – 151st Street	74,000	20,000	54,000
Immaculate Conception – Gunhill	37,000	—	37,000
Nativity of Our Blessed Lady	16,000	—	16,000
Our Lady of Angels	16,000	—	16,000
Our Lady of Grace	28,000	—	28,000
Our Lady of Mercy	21,000	—	21,000

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Financial Aid Grants and Internally Managed Scholarships

Year ended August 31, 2013

	Total	Financial Aid Grants	Internally Managed Scholarships
Our Lady of Mt. Carmel	\$ 4,000	—	4,000
Our Lady of Refuge	2,000	—	2,000
Sacred Heart	43,000	—	43,000
Santa Maria	24,250	250	24,000
St. Angela Merici	61,000	—	61,000
St. Ann	14,000	—	14,000
St. Anselm	46,000	20,000	26,000
St. Anthony – Mansion St.	6,000	—	6,000
St. Athanasius	40,000	20,000	20,000
St. Brendan	10,000	—	10,000
St. Francis of Assisi School	8,000	—	8,000
St. Helena	24,000	—	24,000
St. Jerome	40,000	20,000	20,000
St. John	24,000	—	24,000
St. John Chrysostom	46,000	20,000	26,000
St. Joseph	34,000	—	34,000
St. Lucy	8,000	—	8,000
St. Luke	42,000	20,000	22,000
St. Margaret Mary	38,000	—	38,000
St. Mary	16,000	—	16,000
St. Mary Star of the Sea	13,000	—	13,000
St. Nicholas of Tolentine	21,000	—	21,000
St. Philip Neri	22,000	—	22,000
St. Raymond	54,000	—	54,000
St. Simon Stock	25,000	—	25,000
St. Thomas Aquinas	36,000	—	36,000
Sts. Peter and Paul	137,400	77,400	60,000
Sts. Philip and James	32,000	25,000	7,000
Visitation School	50,000	—	50,000
Total Bronx Elementary Grants	1,246,650	222,650	1,024,000
Staten Island Elementary Grants:			
Immaculate Conception	18,000	—	18,000
Our Lady of Mt. Carmel/St. Benedicta	16,250	—	16,250
Our Lady Queen of Peace	510	510	—
St. John Villa Academy	2,000	—	2,000
St. Patrick	2,000	—	2,000
Total Staten Island Elementary Grants	38,760	510	38,250
Westchester County Elementary Grants:			
Sacred Heart	3,500	—	3,500
Total Westchester County Elementary Grants	3,500	—	3,500
Total Elementary Grants	2,108,970	331,720	1,777,250

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Financial Aid Grants and Internally Managed Scholarships

Year ended August 31, 2013

	<u>Total</u>	<u>Financial Aid Grants</u>	<u>Internally Managed Scholarships</u>
Manhattan Secondary Grants:			
Cathedral High School	\$ 254,160	—	254,160
La Salle Academy	92,750	—	92,750
Mother Cabrini	134,250	—	134,250
Notre Dame	92,165	—	92,165
St. Agnes Boys High School	34,800	—	34,800
St. Jean Baptiste	183,065	—	183,065
St. Vincent Ferrer High School	67,360	—	67,360
Total Manhattan Secondary Grants	<u>858,550</u>	<u>—</u>	<u>858,550</u>
Staten Island Secondary Grants:			
St. Peter's High School for Boys	28,775	—	28,775
Total Staten Island Secondary Grants	<u>28,775</u>	<u>—</u>	<u>28,775</u>
Bronx Secondary Grants:			
Academy of Mount St. Ursula	150,434	—	150,434
All Hallows	271,140	—	271,140
Aquinas High School	290,559	—	290,559
Cardinal Hayes High School	274,405	7,200	267,205
Cardinal Spellman High School	288,780	—	288,780
Monsignor Scanlan	107,250	20,000	87,250
Mt. St. Michael Academy	107,130	—	107,130
Preston High School	85,205	—	85,205
St. Barnabas	30,000	—	30,000
St. Catharine Academy	132,130	—	132,130
St. Raymond – Boys	164,550	—	164,550
St. Raymond Girls Academy	171,593	—	171,593
Total Bronx Secondary Grants	<u>2,073,176</u>	<u>27,200</u>	<u>2,045,976</u>
Westchester Secondary Grants:			
Blessed Sacrament – St. Gabriel School	2,500	—	2,500
Maria Regina	2,500	—	2,500
Total Westchester Secondary Grants	<u>5,000</u>	<u>—</u>	<u>5,000</u>
Total Secondary Grants	<u>2,965,501</u>	<u>27,200</u>	<u>2,938,301</u>
Total Elementary and Secondary Grants	<u>\$ 5,074,471</u>	<u>358,920</u>	<u>4,715,551</u>

See accompanying independent auditors' report.

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Special Events Revenue, Program Administration Expenses,
and Supporting Services Expenses

Year ended August 31, 2013

Special events revenue:	
Proceeds from the December 2012 award dinner	\$ 1,204,975
Proceeds from the 2013 spring gala	1,013,451
Proceeds from the lawyers' lunch	487,860
Proceeds from the junior committee	71,261
Proceeds from the YESS reception	140,372
	<u>2,917,919</u>
Less direct donor benefits:	
Award dinner	152,189
Spring gala	210,849
Lawyers' lunch	168,208
Junior committee	30,180
YESS reception	35,762
	<u>597,188</u>
Net special events revenue	<u>\$ 2,320,731</u>
Program administration expenses:	
Scholarship programs:	
Salaries and fringe benefits	\$ 313,916
Professional fees	42,856
Stationery and printing	7,389
Supplies	3,952
Postage and shipping	6,996
Other	16,451
Total scholarship programs administration expenses	<u>\$ 391,560</u>
Other programs:	
Salaries and fringe benefits	\$ 80,719
Professional fees	25,980
Stationery and printing	4,831
Supplies	15,158
Postage and shipping	577
Other	40,326
Total other programs administration expenses	<u>\$ 167,591</u>

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Special Events Revenue, Program Administration Expenses,
and Supporting Services Expenses

Year ended August 31, 2013

General and administrative expenses:	
Salaries and fringe benefits	\$ 268,152
Computer processing costs	68,346
Professional fees	92,717
Postage and shipping	4,976
Stationery and printing	4,388
Occupancy costs	89,676
Supplies	27,548
Telephone	14,690
Depreciation	24,076
Other	135,468
Total general and administrative expenses	<u>\$ 730,037</u>
Donor relations:	
Salaries and fringe benefits	\$ 377,158
Credit card fees	52,327
Professional fees	50,000
Other	49,094
Total donor relations	<u>\$ 528,579</u>
Advertising and communications:	
Salaries and fringe benefits	\$ 135,681
Direct mail campaign expense	376,988
Advertising campaign expense	289,060
Development and publicity	10,350
Total advertising and communications expenses	<u>\$ 812,079</u>
Special events supporting services:	
Salaries and fringe benefits	\$ 116,881
Stationery and printing	21,622
Other office expenses	10,946
Total special events supporting services expenses	<u>\$ 149,449</u>

See accompanying independent auditors' report.