



INNER-CITY SCHOLARSHIP FUND, INC.

Financial Statements and Schedules

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

(With Independent Auditors' Report Thereon)



KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

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

We have audited the accompanying balance sheet of Inner-City Scholarship Fund, Inc. (ICSF) as of August 31, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of ICSF's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from ICSF's 2011 financial statements and, in our report dated February 16, 2012, we expressed an unqualified opinion on those financial statements.

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 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 ICSF'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 audit provides 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 Inner-City Scholarship Fund, Inc. as of August 31, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the basic 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 basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

KPMG LLP

March 5, 2013

INNER-CITY SCHOLARSHIP FUND, INC.

Balance Sheet

August 31, 2012

(with comparative financial information as of August 31, 2011)

Assets	2012	2011
Cash and cash equivalents	\$ 2,147,008	2,115,971
Loans to Parish Assistance Corporation (note 3)	2,376,340	2,348,698
Contributions receivable, net (note 5)	3,295,098	3,402,012
Investments (note 4)	10,367,338	8,472,134
Fixed assets, net of accumulated depreciation of \$41,677 and \$2,850 in 2012 and 2011, respectively	236,168	54,150
Other assets	205,979	195,049
Total assets	<u>\$ 18,627,931</u>	<u>16,588,014</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 231,185	64,272
Payable to the Archdiocese of New York (note 6)	528,577	117,844
Financial aid grants due to individual schools	88,100	104,413
Total liabilities	<u>847,862</u>	<u>286,529</u>
Net assets (note 8):		
Unrestricted	4,596,227	3,791,643
Temporarily restricted	7,336,510	6,677,842
Permanently restricted	5,847,332	5,832,000
Total net assets	<u>17,780,069</u>	<u>16,301,485</u>
Total liabilities and net assets	<u>\$ 18,627,931</u>	<u>16,588,014</u>

See accompanying notes to financial statements.

INNER-CITY SCHOLARSHIP FUND, INC.

Statement of Activities

Year ended August 31, 2012

(with summarized financial information for the year ended August 31, 2011)

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>2012 total</u>	<u>2011 total</u>
Revenues:					
Contributions and bequests (note 5)	\$ 2,848,493	9,759,809	15,332	12,623,634	14,762,302
Special events, net of direct donor benefits of \$565,910 and \$493,966 in 2012 and 2011, respectively	2,191,795	—	—	2,191,795	2,190,295
Interest and dividend income	242,213	436,416	—	678,629	514,629
Net gain on investments	86,028	113,798	—	199,826	33,320
Other income	—	—	—	—	10,049
Net assets released from restrictions	9,651,355	(9,651,355)	—	—	—
Total revenues	15,019,884	658,668	15,332	15,693,884	17,510,595
Expenses (note 6):					
Program services:					
Grants and allocations:					
Cardinal's Scholarship Program administered by the Children's Scholarship Fund	6,507,989	—	—	6,507,989	6,628,762
Be A Student's Friend grants	4,249,222	—	—	4,249,222	4,245,842
Financial aid grants	547,768	—	—	547,768	871,372
Other grants	188,672	—	—	188,672	224,848
Program administration:					
Be A Student's Friend program	430,226	—	—	430,226	331,704
Other	95,041	—	—	95,041	40,745
Total program services	12,018,918	—	—	12,018,918	12,343,273
Supporting services:					
General and administrative	773,013	—	—	773,013	730,393
Development	1,423,369	—	—	1,423,369	1,369,734
Total supporting services	2,196,382	—	—	2,196,382	2,100,127
Total expenses	14,215,300	—	—	14,215,300	14,443,400
Increase in net assets	804,584	658,668	15,332	1,478,584	3,067,195
Net assets at beginning of year	3,791,643	6,677,842	5,832,000	16,301,485	13,234,290
Net assets at end of year	\$ <u>4,596,227</u>	<u>7,336,510</u>	<u>5,847,332</u>	<u>17,780,069</u>	<u>16,301,485</u>

See accompanying notes to financial statements.

INNER-CITY SCHOLARSHIP FUND, INC.

Statement of Cash Flows

Year ended August 31, 2012

(with comparative financial information for the year ended August 31, 2011)

	2012	2011
Cash flows from operating activities:		
Increase in net assets	\$ 1,478,584	3,067,195
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Net gain on investments	(199,826)	(33,320)
Depreciation	38,827	2,850
Contributions for endowment	(15,332)	—
Changes in operating assets and liabilities:		
Contributions receivable	106,914	(483,396)
Other assets	(10,930)	11,365
Accounts payable and accrued expenses	166,913	(67,362)
Payable to the Archdiocese of New York	215,654	11,783
Financial aid grants due to individual schools	(16,313)	44,881
Net cash provided by operating activities	1,764,491	2,553,996
Cash flows from investing activities:		
Increase in loans to Parish Assistance Corporation	(1,027,642)	(100,000)
Repayments of loans to Parish Assistance Corporation	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	(1,937,759)	(4,581,522)
Proceeds from sale of investments	242,381	1,763,266
Net cash used in investing activities	(1,748,786)	(2,918,256)
Cash flows from financing activities:		
Contributions for endowment	15,332	—
Decrease in contributions receivable restricted for endowment	—	863,882
Net cash provided by financing activities	15,332	863,882
Net increase in cash and cash equivalents	31,037	499,622
Cash and cash equivalents at beginning of year	2,115,971	1,616,349
Cash and cash equivalents at end of year	\$ 2,147,008	2,115,971

See accompanying notes to financial statements.

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

(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.

(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.

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

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

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.

(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.

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

(g) Comparative Financial Information

The accompanying statement of activities is presented with 2011 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 2011 financial statements, from which the summarized information was derived.

(h) Reclassifications

Certain 2011 amounts have been reclassified to conform to the 2012 presentation.

(3) Loans to Parish Assistance Corporation

Amounts loaned to Parish Assistance Corporation earned interest at a rate of 3.34% during fiscal years 2012 and 2011 and are payable on demand. Interest income approximated \$79,000 and \$78,000 in 2012 and 2011, respectively. The carrying amount approximates fair value. Effective September 1, 2012, the interest rate was reduced to 1.50%.

(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, 2012 and 2011 consist of the following:

	<u>2012</u>	<u>2011</u>
PIMCO All Asset fund	\$ 9,910,299	8,117,788
Archdiocesan Common Investment Fund (the Fund)	457,039	354,346
	<u>\$ 10,367,338</u>	<u>8,472,134</u>

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.

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

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 the Archdiocesan Socially Responsible Investing Policy, and valued by the Fund based on the value of its underlying investments. 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 Level 1 in the fair value hierarchy, at August 31, 2012 and 2011 are summarized as follows:

	2012	2011
Cash equivalents	\$ 5,037,034	7,818,388
Fixed-income securities	49,564,140	49,773,434
Equity securities	91,884,409	74,057,102
	\$ 146,485,583	131,648,924

At August 31, 2012 and 2011, ICSF's investment in the Fund was allocated as follows:

	2012	2011
Cash equivalents	\$ 20,413	26,419
Fixed-income securities	183,997	155,095
Equity securities	252,629	172,832
	\$ 457,039	354,346

(5) Contributions Receivable

Contributions receivable consist of the following at August 31, 2012 and 2011:

	2012	2011
Amounts expected to be collected in:		
Less than one year	\$ 1,961,081	1,673,451
One to five years	1,500,000	2,000,000
	3,461,081	3,673,451
Less discount at 5.75%	(165,983)	(271,439)
	\$ 3,295,098	3,402,012

At August 31, 2012 and 2011, the amounts receivable from two donors represent approximately 80% and 95% of the gross receivable, respectively.

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

During 2007, ICSF received a grant not to exceed \$22,500,000, which is providing funding for scholarships to students demonstrating financial need in accordance with the guidelines of the Cardinal's Scholarship Program. The grant is expected to be received through August 31, 2013. As the receipt of future amounts is conditional, revenue is recognized as conditions are met. Through August 31, 2012, approximately \$22.1 million has been received and recognized as revenue, including approximately \$4.3 million and \$4.6 million in fiscal 2012 and 2011, respectively. ICSF has received a verbal 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.

(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 \$1,454,000 and \$1,308,000 in 2012 and 2011, respectively. At August 31, 2012, the payable includes approximately \$195,000 of leasehold improvement costs paid by the Archdiocese.

(7) Pension Plan

ICSF employees who satisfy age and service requirements participate in a noncontributory defined benefit Archdiocesan Pension Plan. Total pension expense was \$50,102 and \$38,077 in 2012 and 2011, respectively. Information as to vested and nonvested earned benefits, as well as plan assets, as they relate to ICSF employees, is not readily available.

(8) Net Assets

Temporarily restricted net assets at August 31, 2012 and 2011 are available for the following purposes:

	2012	2011
Cardinal's Scholarship Program	\$ 1,875,742	2,228,561
Be A Student's Friend grants and program	3,339,953	2,408,478
Financial aid for schools	1,987,809	1,910,302
Gift annuities held by Archdiocese of New York for the benefit of ICSF	133,006	130,501
	\$ 7,336,510	6,677,842

Permanently restricted net assets at August 31, 2012 and 2011 are restricted as follows:

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

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

(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, 2012 and 2011 is as follows:

		2012			
		Unrestricted	Temporarily restricted	Permanently restricted	Total
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>
		2011			
		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted	\$	—	751,799	5,832,000	6,583,799
Board-designated		—	376,373	—	376,373
	\$	<u>—</u>	<u>1,128,172</u>	<u>5,832,000</u>	<u>6,960,172</u>

Changes in endowment net assets for the years ended August 31, 2012 and 2011 are as follows:

		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	\$	<u>4,603,864</u>	<u>1,493,786</u>	<u>5,847,332</u>	<u>11,944,982</u>

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

	2011			Total
	Unrestricted	Temporarily restricted	Permanently restricted	
Endowment net assets, August 31, 2010	\$ 549,195	357,432	4,968,118	5,874,745
Reclassification due to accounting change (see below)	(552,889)	552,889	—	—
Pledge collections	—	—	863,882	863,882
Appropriation for expenditure	—	(199,715)	—	(199,715)
Interest and dividend income	—	370,218	—	370,218
Net gain on investments	3,694	47,348	—	51,042
Endowment net assets, August 31, 2011	\$ <u>—</u>	<u>1,128,172</u>	<u>5,832,000</u>	<u>6,960,172</u>

In September 2010, the State of New York enacted, effective immediately, its version of the Uniform Prudent Management of Institutional Funds Act (NYPMIFA), the provisions of which apply to funds existing on or established after that date. ICSF has interpreted NYPMIFA as allowing it to appropriate for expenditure or accumulate so much of the donor-restricted endowment fund as is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument absent explicit donor stipulations to the contrary. As a result of this interpretation, the Archdiocese has not changed the way permanently restricted net assets are classified. Accounting guidance associated with the enactment of NYPMIFA 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 the standard of prudence prescribed by NYPMIFA. The adoption of the ASC's guidance resulted in a reclassification from unrestricted to temporarily restricted net assets of \$552,889 in fiscal 2011.

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, 2012 or 2011.

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

Annually, the Board of Trustees approves an endowment spending rate, 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 2011, the Board of Trustees approved a 4.5% rate on all funds and in 2012 increased that rate to 5% on one fund.

INNER-CITY SCHOLARSHIP FUND, INC.

Notes to Financial Statements

August 31, 2012

(with summarized comparative financial information
as of and for the year ended August 31, 2011)

(10) Subsequent Events

In connection with the preparation of the financial statements, ICSF evaluated subsequent events after the balance sheet date of August 31, 2012 through March 5, 2013, 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 and Be A Student's Friend Grants

Year ended August 31, 2012

	<u>Total</u>	<u>Financial aid grants</u>	<u>Be A Student's Friend grants</u>
Manhattan Elementary Grants:			
Annunciation	\$ 62,000	40,000	22,000
Ascension	40,220	2,500	37,720
Blessed Sacrament	10,000	—	10,000
Corpus Christi	28,000	—	28,000
Good Shepherd	37,000	25,000	12,000
Guardian Angel	30,000	—	30,000
Holy Cross	17,000	—	17,000
Holy Name of Jesus	32,000	—	32,000
Immaculate Conception	32,000	—	32,000
Incarnation	84,790	30,790	54,000
Mt. Carmel/Holy Rosary	53,000	—	53,000
Our Lady of Lourdes	66,000	30,000	36,000
Our Lady of Pompeii	12,000	—	12,000
Our Lady Queen of Angels	32,000	—	32,000
Our Lady Queen of Martyrs	22,000	—	22,000
Sacred Heart of Jesus	28,000	—	28,000
St. Aloysius	22,000	—	22,000
St. Ann	49,000	—	49,000
St. Brigid	28,000	—	28,000
St. Charles Borromeo	8,000	—	8,000
St. Elizabeth	42,000	5,000	37,000
St. Gregory the Great	19,000	—	19,000
St. James and Joseph – Monroe	59,474	38,474	21,000
St. Joseph's School – Yorkville	8,000	—	8,000
St. Jude	16,000	—	16,000
St. Mark the Evangelist	14,000	—	14,000
St. Paul – 118th Street	32,000	—	32,000
St. Rose of Lima	25,000	—	25,000
St. Stephen of Hungary	19,000	—	19,000
Transfiguration	17,000	—	17,000
	<u>944,484</u>	<u>171,764</u>	<u>772,720</u>
Total Manhattan Elementary Grants			
Bronx Elementary Grants:			
Blessed Sacrament	16,000	—	16,000
Christ the King	52,000	—	52,000
Holy Cross	31,000	—	31,000
Holy Family	12,000	—	12,000
Holy Rosary	6,000	—	6,000
Holy Spirit	29,000	—	29,000
Immaculate Conception – 151st Street	71,500	20,500	51,000
Immaculate Conception – Gunhill	36,000	—	36,000
Nativity of Our Blessed Lady	12,000	—	12,000
Our Lady of Angels	18,000	—	18,000
Our Lady of Grace	28,000	—	28,000
Our Lady of Mercy	32,000	—	32,000
Our Lady of Mt. Carmel	4,000	—	4,000
Our Lady of Refuge	4,000	—	4,000
Sacred Heart	41,000	—	41,000
Santa Maria	14,000	—	14,000

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Financial Aid and Be A Student's Friend Grants

Year ended August 31, 2012

	Total	Financial aid grants	Be A Student's Friend grants
St. Angela Merici	\$ 40,000	—	40,000
St. Ann	12,000	—	12,000
St. Anselm	87,000	60,000	27,000
St. Anthony – Mansion St.	7,608	(1,392)	9,000
St. Athanasius	52,018	21,018	31,000
St. Brendan	29,500	11,500	18,000
St. Clare of Assisi	2,000	—	2,000
St. Francis of Assisi School	26,500	12,500	14,000
St. Francis Xavier	2,000	—	2,000
St. Helena	28,000	—	28,000
St. Jerome	50,000	20,000	30,000
St. John	13,000	—	13,000
St. John Chrysostom	54,000	20,000	34,000
St. Joseph	39,000	—	39,000
St. Lucy	6,000	—	6,000
St. Luke	37,000	20,000	17,000
St. Margaret Mary	31,000	—	31,000
St. Mary	42,700	30,700	12,000
St. Mary Star of the Sea	14,000	—	14,000
St. Nicholas of Tolentine	24,000	—	24,000
St. Philip Neri	22,000	—	22,000
St. Raymond	52,000	—	52,000
St. Simon Stock	26,000	—	26,000
St. Thomas Aquinas	31,000	—	31,000
Sts. Peter and Paul	62,000	20,000	42,000
Sts. Philip and James	10,000	—	10,000
Visitation School	30,000	—	30,000
Total Bronx Elementary Grants	<u>1,236,826</u>	<u>234,826</u>	<u>1,002,000</u>
Staten Island Elementary Grants:			
Blessed Sacrament	(3,200)	(3,200)	—
Holy Rosary	2,000	—	2,000
Immaculate Conception	22,000	—	22,000
Our Lady of Mt. Carmel/St. Benedicta	26,823	14,631	12,192
St. Ann	21,500	21,500	—
St. Christopher	4,000	—	4,000
St. John Villa Academy	2,000	—	2,000
St. Joseph	4,000	—	4,000
St. Mary	(2,500)	(2,500)	—
St. Peter	10,000	—	10,000
Total Staten Island Elementary Grants	<u>86,623</u>	<u>30,431</u>	<u>56,192</u>
Westchester County Elementary Grants:			
Holy Name of Jesus	7,500	7,500	—
Our Lady of the Assumption	20,000	20,000	—
Our Lady of Victory	11,995	11,995	—
Regina Coeli	—	—	—
Sacred Heart	(3,718)	(7,218)	3,500
St. Casimir	—	—	—
St. Peter – Haverstraw	—	—	—

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Financial Aid and Be A Student's Friend Grants

Year ended August 31, 2012

	<u>Total</u>	<u>Financial aid grants</u>	<u>Be A Student's Friend grants</u>
St. Peter School – Yonkers	\$ —	—	—
Total Westchester County Elementary Grants	<u>35,777</u>	<u>32,277</u>	<u>3,500</u>
Total Elementary Grants	<u>2,303,710</u>	<u>469,298</u>	<u>1,834,412</u>
Manhattan Secondary Grants:			
Cathedral High School	209,618	2,200	207,418
La Salle Academy	69,350	—	69,350
Mother Cabrini	105,750	1,500	104,250
Notre Dame	102,915	1,000	101,915
St. Agnes Boys High School	50,800	—	50,800
St. Jean Baptiste	154,566	4,300	150,266
St. Vincent Ferrer High School	59,060	4,200	54,860
Xavier High School	3,500	—	3,500
Total Manhattan Secondary Grants	<u>755,559</u>	<u>13,200</u>	<u>742,359</u>
Staten Island Secondary Grants:			
Moore Catholic – Coed	2,500	—	2,500
St. John Villa Academy	2,500	—	2,500
St. Peter's High School for Boys	25,515	1,475	24,040
Total Staten Island Secondary Grants	<u>30,515</u>	<u>1,475</u>	<u>29,040</u>
Bronx Secondary Grants:			
Academy of Mount St. Ursula	103,461	3,200	100,261
All Hallows	218,326	10,197	208,129
Aquinas High School	317,054	29,978	287,076
Cardinal Hayes High School	249,006	12,000	237,006
Cardinal Spellman High School	216,880	—	216,880
Monsignor Scanlan	81,800	1,500	80,300
Mt. St. Michael Academy	78,420	2,000	76,420
Preston High School	50,006	—	50,006
St. Catharine Academy	98,500	—	98,500
St. Barnabas	29,990	1,990	28,000
St. Raymond Girls Academy	144,413	1,230	143,183
St. Raymond – Boys	114,350	1,700	112,650
Total Bronx Secondary Grants	<u>1,702,206</u>	<u>63,795</u>	<u>1,638,411</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>2,493,280</u>	<u>78,470</u>	<u>2,414,810</u>
Total Elementary and Secondary Grants	<u>\$ 4,796,990</u>	<u>547,768</u>	<u>4,249,222</u>

See accompanying independent auditors' report.

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Special Events Revenue, Program Administration Expenses,
General and Administrative Expenses, and Development Expenses

Year ended August 31, 2012

Special events revenue:	
Proceeds from the December 2011 award dinner	\$ 1,267,605
Proceeds from the 2011 spring gala	773,776
Proceeds from the lawyers' lunch	554,850
Proceeds from the junior committee	27,927
Proceeds from the YESS reception	133,547
	<u>2,757,705</u>
Less direct donor benefits:	
Award dinner	186,330
Spring gala	188,555
Lawyers' lunch	134,761
Junior committee	30,192
YESS reception	26,072
	<u>565,910</u>
Net special events revenue	\$ <u><u>2,191,795</u></u>
Program administration expenses:	
Be A Student's Friend program:	
Salaries and fringe benefits	\$ 285,999
Professional fees	112,664
Facilities rental	4,720
Stationary and printing	3,575
Supplies	8,296
Postage and shipping	6,814
Other	8,158
Total Be A Student's Friend program administration expenses	\$ <u><u>430,226</u></u>
Other programs administration expenses:	
Salaries and fringe benefits	\$ 5,120
Professional fees	80,696
Transportation	7,700
Other	1,525
Total other programs administration expenses	\$ <u><u>95,041</u></u>

INNER-CITY SCHOLARSHIP FUND, INC.

Schedule of Special Events Revenue, Program Administration Expenses,
General and Administrative Expenses, and Development Expenses

Year ended August 31, 2012

General and administrative expenses:	
Salaries and fringe benefits	\$ 257,944
Computer processing costs	62,837
Professional fees	119,355
Postage and shipping	9,658
Stationary and printing	3,249
Occupancy costs	86,640
Supplies	11,980
Telephone	14,413
Other	206,937
Total general and administrative expenses	\$ <u>773,013</u>
Development expenses:	
Salaries and fringe benefits	\$ 604,581
Advertising campaign expense	290,968
Direct mail campaign expense	367,082
Other	160,738
Total development expenses	\$ <u>1,423,369</u>

See accompanying independent auditors' report.