

BOYS AND GIRLS CLUBS
OF THE PENINSULA

JUNE 30, 2009

INDEPENDENT AUDITORS' REPORT

AND

FINANCIAL STATEMENTS

Boys and Girls Clubs of the Peninsula

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Independent Auditors' Report

BOARD OF DIRECTORS
BOYS AND GIRLS CLUBS OF THE PENINSULA
Menlo Park, California

We have audited the accompanying statement of financial position of the **Boys and Girls Clubs of the Peninsula** (the Club) as of June 30, 2009 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Club'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 the Club's fiscal year ended June 30, 2008 financial statements, and in our report dated October 8, 2008, we expressed an unqualified opinion on those 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 the Boys and Girls Clubs of the Peninsula as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



November 13, 2009

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Boys and Girls Clubs of the Peninsula

Statement of Financial Position

<i>June 30,</i>	2009	2008
Assets		
Current Assets:		
Cash and cash equivalents	\$ 946,750	\$ 1,141,520
Investments	4,199,615	5,224,273
Unconditional promises to give, net, current portion	363,055	341,798
Other receivables	330,666	176,294
Prepaid expenses and deposits	56,038	53,655
Total current assets	5,896,124	6,937,540
Unconditional Promises to Give net, noncurrent portion	1,200,390	818,674
Property, Equipment and Improvements, net	7,131,295	7,358,195
Total assets	\$ 14,227,809	\$ 15,114,409
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 285,138	\$ 287,323
Total current liabilities	285,138	287,323
Net Assets:		
Unrestricted:		
Board designated:		
Maintenance reserve	577,111	564,829
Other purposes	1,332,505	3,309,434
Undesignated	7,740,458	7,850,150
Total unrestricted net assets	9,650,074	11,724,413
Temporarily restricted	2,367,597	1,177,673
Permanently restricted	1,925,000	1,925,000
Total net assets	13,942,671	14,827,086
Total liabilities and net assets	\$ 14,227,809	\$ 15,114,409

Boys and Girls Clubs of the Peninsula

Statement of Activities

Year Ended June 30, 2009 (with comparative totals for the year ended June 30, 2008)

	2009			2008	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Support and Revenues:					
Contributions:					
Individuals	\$ 1,527,759	\$ 187,283		\$ 1,715,042	\$ 1,614,170
Corporations	117,881	15,000		132,881	276,351
Foundations	1,345,782	1,015,500		2,361,282	1,333,169
Civic/other	42,441			42,441	271,207
Total contributions	3,033,863	1,217,783		4,251,646	3,494,897
Investment income:					
Interest and dividends	16,873	5,564		22,437	254,765
Realized losses on sale of investments	(30,460)	(25,947)		(56,407)	(147,112)
Unrealized losses on investments	(418,216)	(356,259)		(774,475)	(443,426)
Total investment income	(431,803)	(376,642)		(808,445)	(335,773)
Other revenue:					
Municipal revenue	741,492	29,000		770,492	816,263
Special events	703,535			703,535	708,691
Membership revenue	57,514			57,514	66,281
Facility rental					58,752
Miscellaneous	24,062			24,062	
Total other revenue	1,526,603	29,000		1,555,603	1,649,987
Net assets released from restrictions	1,097,047	(1,097,047)			
Total support and revenue	5,225,710	(226,906)		4,998,804	4,809,111
Expenses:					
Program services	4,342,582			4,342,582	3,719,616
Management and general	708,745			708,745	633,677
Fundraising	831,892			831,892	576,819
Total expenses	5,883,219			5,883,219	4,930,112
Change in Net Assets before					
Reclassification of Net Assets	(657,509)	(226,906)		(884,415)	(121,001)
Reclassification of net assets (note 7)	(1,416,830)	1,416,830			
Change in Net Assets	(2,074,339)	1,189,924		(884,415)	(121,001)
Net Assets - Beginning of year	11,724,413	1,177,673	\$ 1,925,000	14,827,086	14,948,087
Net Assets - End of year	\$ 9,650,074	\$ 2,367,597	\$ 1,925,000	\$ 13,942,671	\$ 14,827,086

Boys and Girls Clubs of the Peninsula

Statement of Functional Expenses

Year Ended June 30, 2009 (with comparative totals for the year ended June 30, 2008)

	2009				2008	
	Programs	Management and General	Fundraising	Total	Total	
Personnel						
Salaries	\$ 2,634,737	\$ 381,121	\$ 311,433	\$ 3,327,291	\$ 2,783,879	
Payroll taxes and benefits	559,740	119,999	83,538	763,277	610,793	
Total personnel expense	3,194,477	501,120	394,971	4,090,568	3,394,672	
Facilities						
Depreciation	305,438			305,438	336,099	
Insurance	38,507	6,678	97	45,282	35,205	
Utilities	104,694			104,694	102,228	
Repairs and maintenance	176,495	950	135	177,580	149,573	
All other facilities expense	10,346			10,346	9,547	
Total facilities	635,480	7,628	232	643,340	632,652	
Program Supplies	321,910			321,910	330,237	
Other						
Special events			354,501	354,501	141,831	
Bad debt expense		53,271		53,271	21,839	
Training	43,709	16,989	2,122	62,820	59,217	
Professional fees		31,725		31,725	31,710	
Telephone	49,337	3,945	391	53,673	64,767	
Office supplies	32,091	12,141	23,145	67,377	48,746	
Transportation	40,265	1,909	772	42,946	34,423	
Dues		16,825		16,825	18,119	
Remaining other expenses	25,314	63,192	55,758	144,264	151,899	
Total other expenses	190,716	199,997	436,689	827,402	572,551	
Total expenses	\$ 4,342,582	\$ 708,745	\$ 831,892	\$ 5,883,219	\$ 4,930,112	

Boys and Girls Clubs of the Peninsula

Statement of Cash Flows

<i>Years Ended June 30,</i>	2009	2008
Cash Flows Provided by Operating Activities:		
Change in net assets	\$ (884,415)	\$ (121,001)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	305,438	336,099
Net realized/unrealized loss on investments	830,883	590,538
Loss on disposal of equipment	4,457	
Donated equipment	(48,948)	(50,865)
Reserve for auction preferreds	(5,000)	12,500
Changes in operating assets and liabilities:		
Unconditional promises to give	(557,345)	(213,043)
Prepaid expenses and deposits	(2,383)	2,412
Accounts payable and accrued expenses	(2,185)	(13,925)
Net cash (used) provided by operating activities	(359,498)	542,715
Cash Flows from Investing Activities:		
Purchases of property, equipment and leaseholds	(34,047)	(38,585)
Proceeds from sale of investments	218,312	18,911,188
Purchase of investments	(19,537)	(18,904,476)
Net cash provided (used) by investing activities	164,728	(31,873)
Net (Decrease) Increase in Cash and Cash Equivalents	(194,770)	510,842
Cash and Cash Equivalents - Beginning of year	1,141,520	630,678
Cash and Cash Equivalents - End of Year	\$ 946,750	\$ 1,141,520
Supplemental Information		
Noncash investing activities:		
Gifts of equipment	\$ 48,948	

Boys and Girls Clubs of the Peninsula

Notes to Financial Statements

Note 1 - Description of the Organization:

The Boys and Girls Clubs of the Peninsula (the Club) provides places where young people aged 6 - 18 are welcome and can belong after school and all day during the summer. At each of the Club's eight sites located in the most challenged areas of Menlo Park, East Palo Alto and Redwood City, California, staff and volunteers work through a broad range of programs to guide and inspire youth to develop the attitudes and life skills they need to thrive. Founded in 1958, the Club is now regarded as one of the most comprehensive youth development organizations in the San Francisco Bay Area. The Club's programs focus on Academics, Science and Technology, Social Education and Life Skills, Athletics and Fitness and the Arts. Many of these programs are offered in partnership with local schools and other community organizations. The Club's annual budget is dependent on a balanced combination of support from individuals, foundations, corporations and public partners.

Note 2 - Summary of Significant Accounting Policies:

a. Basis of Accounting

The Club prepares its financial statements on the accrual basis of accounting.

b. Description of Net Assets

Unrestricted Net Assets - the portion of net assets that is neither temporarily nor permanently restricted by donor-imposed stipulations. At June 30, 2009 and 2008, these net assets are intended for use by management and the Board of Directors for general operations and certain Board designated uses.

Temporarily Restricted Net Assets - the portion of net assets which use is limited by donor - imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Club. At June 30, 2009 and 2008, these net assets are comprised of unconditional promises to give in future years discounted to their net present value and contributions that have been restricted for various programs. At June 30, 2009, as part of the implementation of Financial Accounting Standards Board (FASB) Staff Position No. 117-1 (FSP 117-1) (see Note 7), the Club reclassified as temporarily restricted net assets, the portion of net assets that represent accumulated past earnings on endowment funds, which have not yet been appropriated for expenditure by the Board. In prior years, these net assets were classified as unrestricted net assets, board designated for other purposes.

Permanently Restricted Net Assets - the portion of net assets which use is limited by donor - imposed stipulations that neither expire by passage of time nor can be removed by actions of the Club. At June 30, 2009 and 2008, these net assets represent the Club's endowment. At June 30, 2009, earnings thereon are classified as temporarily restricted net assets until appropriated for expenditure by the Board; in prior years, these net assets were classified as unrestricted net assets, board designated for other purposes.

Boys and Girls Clubs of the Peninsula

Notes to Financial Statements

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents consist of short-term, highly liquid investments and investments with original maturity dates of three months or less and do not include cash held in investment accounts.

d. Investments

Investments are valued at fair value with realized and unrealized gains and losses reflected in the Statement of Activities.

e. Unconditional Promises to Give

Unconditional promises to give are recorded at their net realizable value. Unconditional promises to give which are due in more than one year have been discounted to the present value of their estimated future cash flows.

f. Property, Equipment and Improvements

The Club records property, equipment and improvements at cost of acquisition or construction or, if donated, at the fair market value at the date of donation. Depreciation is computed using the straight-line method with lives ranging from 3 to 40 years.

g. Revenue Recognition

Contributions are recorded at their fair value and are recognized as revenue when the donor makes an unconditional promise to give to the Club. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the same year in which the contributions are recognized. Net assets released from restrictions during the years ended June 30, 2009 and 2008 represent payments on unconditional promises to give and funds used for their restricted purposes.

Special event revenue is recognized when the event occurs.

Non-cash donations are recorded at the fair value of the gift at the date of the donation.

Services, relating to leadership and help with member activities and programs, are donated by various individuals. Many generous people contribute many hours of time and expertise to assist with the administration of various programs. No revenue has been recognized for these services.

Boys and Girls Clubs of the Peninsula

Notes to Financial Statements

h. Income Taxes

The Club has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. In addition, the Club has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

i. Allocation of Expenses

Certain indirect costs have been allocated by management among programs and supporting services based on estimates of time, space and other factors.

j. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

k. Prior Year Information

The financial statements include certain prior-year summarized comparative information in total but not in sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the Club's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

l. New Accounting Pronouncements

In February 2007, FASB issued Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities – Including an Amendment of FASB Statement No. 115* (SFAS No. 159), effective as of the beginning of an entity's first fiscal year that begins after November 5, 2007. This Statement permits entities to choose to measure financial instruments and certain other items at fair value that are not currently required to be measured at fair value. The Club has evaluated SFAS No. 159 and determined that it does not choose to apply it at this time.

Financial Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, (FIN 48), establishes standards for the recognition of income taxes for tax positions taken in income tax returns. In December 2008, a FASB Staff Position deferred the effective date for certain nonpublic enterprises, including not-for-profit organizations, permitting adoption for years beginning after December 15, 2008. The Club has elected to defer FIN 48 and feels it is not subject to income taxes due to its exempt status. All transactions are deemed related to the mission of the Club, therefore, no provision for income taxes is included in these financial statements. The impact of FIN 48 on the financial statements of the Club is expected to be nil or immaterial.

Boys and Girls Clubs of the Peninsula

Notes to Financial Statements

m. Subsequent Events

The Club has reviewed the results of operations for the period of time from its fiscal year ended June 30, 2009 through the date of the independent auditors' report and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor subsequent events have occurred, the nature of which would require disclosure.

Note 3 - Investments:

Investments, at fair value, are comprised of the following at June 30, 2009 and 2008:

	2009	2008
Mutual funds	\$4,054,376	\$4,966,388
Cash funds	68,247	130,832
Corporate stocks	76,992	127,053
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	\$4,199,615	\$5,224,273

Note 4 - Fair Value Measurements:

During the year ended June 30, 2009, the Club adopted FASB Statement No. 157, *Fair Value Measurements*, (FAS 157) which provides a framework for measuring fair value under generally accepted accounting principles. FAS 157 applies to all financial instruments that are being measured and reported on a fair value basis.

FAS 157 defines fair value as the price that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FAS 157 also established a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels, with the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. These would include U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

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Level 2 - Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include third party pricing services for identical or similar assets or liabilities.

Level 3 - Inputs are unobservable inputs for the asset or liability. These include option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying Statement of Financial Position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Investment Securities

The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument.

The table below presents the balances of assets measured at fair value at June 30, 2009 on a recurring basis.

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments:				
Common stock	\$ 76,992	\$ 76,992		
Cash funds	68,247	68,247		
Mutual funds	4,054,376		\$ 4,054,376	
Total assets measured at fair value	\$4,199,615	\$145,239	\$ 4,054,376	

Financial Instruments Not Measured at Fair Value

Some of the Club's financial instruments are not measured at fair value on a recurring basis but nevertheless are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such assets and liabilities include: Cash and cash equivalents, unconditional promises to give and other receivables, prepaid expenses and deposits and accounts payable and accrued expenses.

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Notes to Financial Statements

Note 5 - Unconditional Promises to Give:

Unconditional promises to give are comprised of the following at June 30, 2009 and 2008:

	2009	2008
Pledges	\$ 1,617,589	\$1,196,288
Less: Allowance for doubtful accounts	(26,200)	(13,589)
Discount to net present value (at 3%) of estimated future cash flows	(27,944)	(22,227)
<hr/>		
Net unconditional promises to give	\$ 1,563,445	\$1,160,472

Net unconditional promises to give are expected to be collected as follows as of June 30, 2009:

Due in one year or less	\$ 363,055
Due in one to five years	1,200,390
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	\$ 1,563,445

Note 6 - Property, Equipment and Improvements:

At June 30, 2009 and 2008, property, equipment and improvements and accumulated depreciation are as follows:

	2009	2008
Buildings, improvements and landscaping	\$ 9,494,833	\$ 9,462,629
Equipment	1,144,816	1,106,697
Vehicles	100,609	92,394
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	10,740,258	10,661,720
Less accumulated depreciation	(3,608,963)	(3,303,525)
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	\$ 7,131,295	\$ 7,358,195

Boys and Girls Clubs of the Peninsula

Notes to Financial Statements

Note 7 – Endowment Funds:

During the year ended June 30, 2009, the Club implemented FSP FAS 117-1 “*Endowments of Not-for-Profit Organizations – Net Assets Classification of Funds Subject to Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds*”, which was effective for fiscal years ending after December 15, 2008. The State of California adopted a version of the Uniform Prudent Management of Institutional Funds Act, known as the State Prudent Management of Institutional Funds Act (SPMIFA), which is applicable to funds established on or after January 1, 2009 and funds established prior to January 1, 2009, only with respect to actions taken after January 1, 2009.

SPMIFA moves away from the concept of corpus with its “historical dollar value” in an endowment. Charities are encouraged to develop spending policies that are responsive to short term fluctuations in the value of the fund, preserve the value of the fund for future use, and honor the charitable purpose of the fund. The Club will continue to balance the endurance of its funds and the needs of the community in its granting policy and practices.

The Club’s endowment consists of funds established to generate general operating support to the Club and the accumulated earnings thereon that have not yet been expended. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors has interpreted SPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Club classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the endowment fund that is not classified in permanently restricted net assets (the accumulated past earnings of the endowment which have not yet been appropriated), is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Club in a manner consistent with the standard of prudence prescribed by SPMIFA.

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Notes to Financial Statements

In accordance with SPMIFA, the Club considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the organization and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Club, (7) the investment policies of the Club.

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or SPMIFA requires the Club to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. There were no such deficiencies as of June 30, 2009.

Return Objectives and Risk Parameters

The Club has adopted investment and spending policies for endowment assets that will ultimately provide a predictable stream of funding to provide support for the various programs of the Club. Endowment assets include those assets of donor-restricted funds that the Club must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to realize a competitive rate of return comparable to index benchmarks.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Club relies on a diversified asset investment strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Club targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Club is expecting to provide annual distributions of 5% of the market value of the portfolio as calculated on a 3 year rolling average. The investment managers are required to invest funds so as to ensure that required distributions of income or principal are met. In order to avoid untimely sales of securities, the Investment Committee will forward to the managers estimates of needed payouts well in advance.

Boys and Girls Clubs of the Peninsula

Notes to Financial Statements

Endowment funds at June 30, 2009 are recorded as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted:				
Original gifts		\$ 939,708	\$1,925,000	\$2,864,708
Board Designated	\$1,332,505			1,332,505
Total Funds	\$1,332,505	\$ 939,708	\$1,925,000	\$4,197,213

Net changes in endowment funds for the year ended June 30, 2009 were as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, July 1, 2008	\$3,309,434		\$1,925,000	\$5,234,434
Net asset reclassification upon adoption of FSP 117-1	(1,416,830)	\$ 1,416,830		
Endowment net assets, after reclassification	1,892,604	1,416,830	1,925,000	5,234,434
Investment return:				
Income	6,532	5,564		12,096
Net depreciation	(448,677)	(382,206)		(830,883)
Total investment return	(442,145)	(376,642)		(818,787)
Appropriation of endowment earnings	(117,954)	(100,480)		(218,434)
Endowment net assets, June 30 2009	\$1,332,505	\$ 939,708	\$1,925,000	\$4,197,213

Boys and Girls Clubs of the Peninsula

Notes to Financial Statements

Note 8 - Commitments:

The Club has entered into several exchange agreements to lease facilities. These exchange agreements require the Club to perform certain duties in return for lease payments of \$1 per year. The City of Menlo Park owns the land upon which the Menlo Park facility is situated and leases the facility to the Club. The lease runs for 25 years (June, 2023) with options to renew. The total rent of \$25 was paid by the Club to cover the original lease term. The building and improvements, constructed by the Club, will revert to the City of Menlo Park in the event that the Club abandons the premises, which is not deemed probable by management. The Redwood City facility is situated on land owned by and leased from Redwood City at a cost of \$1 per year. The lease runs for 42 years (January, 2029). The Ravenswood School District and the Redwood City School District own the schools in which the Club's Center for a New Generation are situated. No lease obligation currently exists for these facilities.

Note 9 - Employee Benefits:

The Club maintains a contributory pension plan that covers all full-time employees that have been with the Club for at least 24 months.

Note 10 - Concentrations of Risk:

The Club has defined its financial instruments, which are potentially subject to risk as cash, cash equivalents, investments and unconditional promises to give.

At times, the Club has cash deposits in financial institutions in excess of federally insured limits. Investments are held in various holdings in order to limit the concentration of market risk.

For the year ended June 30, 2009, approximately 30% of total contribution revenue was provided from four foundations and one individual. In the previous year, 15% of the Club's total contributions were provided by three foundations and two individuals.