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June 23, 2009

Board of Directors
Greater Bloomington Chamber
of Commerce Foundation, Inc.
400 W. 7th St., Ste. 102
Bloomington, IN 47404

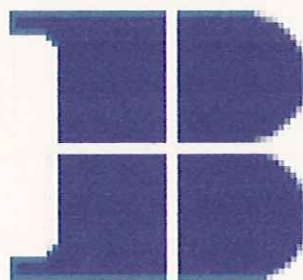
We have reviewed the audit report prepared by Stampfli Associates, CPAs, P.C., Independent Public Accountants, for the period September 1, 2007 to August 31, 2008. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Greater Bloomington Chamber of Commerce Foundation, Inc., as of August 31, 2008, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

**GREATER BLOOMINGTON CHAMBER
OF COMMERCE FOUNDATION, INC.**

**Financial Statements
AUGUST 31, 2008 and 2007**



GREATER BLOOMINGTON CHAMBER OF COMMERCE FOUNDATION, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Greater Bloomington Chamber of Commerce Foundation, Inc.
Bloomington, Indiana

We have audited the accompanying Balance Sheets of Greater Bloomington Chamber of Commerce Foundation, Inc. (a nonprofit organization) as of August 31, 2008 and 2007, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the organization's management. 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 of material misstatement. 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 Greater Bloomington Chamber of Commerce Foundation, Inc. as of August 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Stampfli Associates

November 26, 2008

GREATER BLOOMINGTON CHAMBER OF COMMERCE FOUNDATION, INC.

Balance Sheets
August 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 68,959	\$ 102,205
Grants receivable	<u>9,491</u>	<u>10,221</u>
TOTAL ASSETS	<u>\$ 78,450</u>	<u>\$ 112,426</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ -	\$ 7,040
Due to related party (Note 3)	10,828	11,319
Deferred income	<u>3,872</u>	<u>39,692</u>
Total liabilities	<u>14,700</u>	<u>58,051</u>
NET ASSETS		
Unrestricted	54,043	45,137
Temporarily restricted	<u>9,707</u>	<u>9,238</u>
Total	<u>63,750</u>	<u>54,375</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 78,450</u>	<u>\$ 112,426</u>

GREATER BLOOMINGTON CHAMBER OF COMMERCE FOUNDATION, INC.

Statements of Activity
Years ended August 31, 2008 and 2007

	Unrestricted		Temporarily Restricted		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
SUPPORT AND REVENUE:						
Grants - Government funds	\$ 159,726	\$ 107,628	\$ -	\$ -	\$ 159,726	\$ 107,628
Contributions	6,470	4,601	9,707	9,238	16,177	13,839
Program income	9,909	17,375	-	-	9,909	17,375
Grants - non-governmental	7,971	50,608	-	-	7,971	50,608
Other income	2,693	2,459	-	-	2,693	2,459
Total Support	<u>186,769</u>	<u>182,671</u>	<u>9,707</u>	<u>9,238</u>	<u>196,476</u>	<u>191,909</u>
NET ASSETS RELEASED FROM RESTRICTIONS:						
Net assets released from restrictions	9,238	1,000	(9,238)	(1,000)	-	-
Total revenues, gains and other support	<u>196,007</u>	<u>183,671</u>	<u>469</u>	<u>8,238</u>	<u>196,476</u>	<u>191,909</u>
EXPENSES:						
Franklin Initiative	166,108	122,875	-	-	166,108	122,875
Other program services	-	1,500	-	-	-	1,500
Supporting services:						
Management and general	20,993	40,213	-	-	20,993	40,213
Fund raising	-	-	-	-	-	-
Total expenses	<u>187,101</u> ✓	<u>164,588</u>	<u>-</u>	<u>-</u>	<u>187,101</u> ✓	<u>164,588</u>
CHANGE IN NET ASSETS						
CHANGE IN NET ASSETS	8,906	19,083	469	8,238	9,375	27,321
NET ASSETS - Beginning of year	<u>45,137</u>	<u>26,054</u>	<u>9,238</u>	<u>1,000</u>	<u>54,375</u>	<u>27,054</u>
NET ASSETS - End of year	<u>54,043</u>	<u>45,137</u>	<u>9,707</u>	<u>9,238</u>	<u>63,750</u>	<u>54,375</u>

See accompanying notes to financial statements

GREATER BLOOMINGTON CHAMBER OF COMMERCE FOUNDATION, INC.

Statements of Cash Flows
Years Ended August 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 9,375	\$ 27,321
Add (deduct) net changes in other accounts:		
Accounts payable	(7,040)	7,040
Grants receivable	730	(4,255)
Due to related party	(491)	(936)
Deferred income	(35,820)	39,692
Net cash provided (used) by operating activities	(33,246)	68,862
CASH FLOWS FROM INVESTING ACTIVITIES:	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:	-	-
INCREASE (DECREASE) IN CASH	(33,246)	68,862
CASH AND CASH EQUIVALENTS -- Beginning of year	102,205	33,343
CASH AND CASH EQUIVALENTS -- End of year	<u>\$ 68,959</u>	<u>\$ 102,205</u>

GREATER BLOOMINGTON CHAMBER OF COMMERCE FOUNDATION, INC.

Statements of Functional Expenses
Years Ended June 30, 2008 and 2007

	Franklin Initiative		Other Programs		Management and General		Fund Raising		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Payroll	\$ 101,901	\$ 81,130	\$ -	\$ -	\$ 13,299	\$ 33,626	\$ -	\$ -	\$ 115,200	\$ 114,756
Payroll taxes	7,563	7,138	-	-	987	2,959	-	-	8,550	10,097
Employee benefits	7,326	4,030	-	-	5,494	1,671	-	-	12,820	5,701
Total payroll and related expenses	116,790	92,298	-	-	19,780	38,256	-	-	136,570	130,554
Grants paid	34,070	7,040	-	1,500	-	-	-	-	34,070	8,540
Professional fees	-	-	-	-	1,000	1,000	-	-	1,000	1,000
Programming expenses	10,229	8,935	-	-	-	-	-	-	10,229	8,935
Office supplies and expenses	1,778	8,602	-	-	104	455	-	-	1,882	9,057
Rent	-	1,974	-	-	-	-	-	-	-	1,974
Postage and printing	458	431	-	-	-	-	-	-	458	431
Promotional expense	150	450	-	-	-	-	-	-	150	450
Meeting and conventions	859	1,091	-	-	-	-	-	-	859	1,091
Telephone	472	492	-	-	52	55	-	-	524	547
Travel	77	224	-	-	-	435	-	-	77	659
Equipment rental and maintenance	1,083	228	-	-	57	12	-	-	1,140	240
Meals, entertainment and lodging	142	1,110	-	-	-	-	-	-	142	1,110
Total Expenses	\$ 166,108	\$ 122,875	\$ -	\$ 1,500	\$ 20,993	\$ 40,213	\$ -	\$ -	\$ 187,101	\$ 164,588

GREATER BLOOMINGTON CHAMBER OF COMMERCE FOUNDATION, INC.

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Operations:

The Greater Bloomington Chamber of Commerce Foundation, Inc. (Foundation) is an Indiana not-for-profit corporation. The Foundation receives grants and contributions which are used to fund charitable - educational activities. The principle activity is the Franklin Initiative which is mainly conducted through The Greater Bloomington Chamber of Commerce, Inc. (Chamber) which is a related entity. Activities mainly support Bloomington Indiana and surrounding areas.

Cash:

Cash includes cash, and bank accounts which are due on demand or with initial maturities of three months or less.

Donated Services:

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. During 2008 and 2007 a number of volunteers donated significant amounts of time in the Foundation's programming and management. No amounts have been recognized in the financial statements for those services since they do not meet the criteria for recognition.

Donated Assets:

The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Foundation reports gifts of property and equipment or other long-lived assets as restricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Use of Estimates:

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

NOTE 2 - INCOME TAX STATUS:

The Foundation is a not-for-profit corporation exempt from Federal and State income taxes pursuant to the provisions of section 501(c)(3) of the Internal Revenue Code. Therefore no provisions for Federal or State income tax have been made. The Foundation is not considered to be a private foundation.

GREATER BLOOMINGTON CHAMBER OF COMMERCE FOUNDATION, INC.

Notes to Financial Statements

NOTE 3 - DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS:

The Foundation is associated with the Chamber, a related entity, under common control through parallel board membership. That entity is an exempt membership organization. The Foundation's principle activity is mainly conducted through the Chamber which is reimbursed for appropriate expenditures. Reimbursements in 2008 and 2007 totaled \$153,030 and \$156,036 respectively. The account payable to the chamber was \$10,828 in 2008 and \$11,319 in 2007.

The Chamber also provided facility use and administrative support to the Foundation without reimbursement. The value of such support has not been determined and is not reflected in these financial statements.

NOTE 4 - TEMPORARY RESTRICTIONS:

Contributions of \$9,238 in 2007 were received as sponsorships for an event to occur in a subsequent year. It is expected that this restriction will be released in 2008 by incurring expenses related to that event.

Similar contributions were received in 2008 in the amount of \$9,707 and are expected to be released in 2009.

In 2007, net assets in the amount of \$1,000, that were previously restricted for scholarships, were released from donor restrictions by incurring expenses satisfying the applicable restricted purposes.

It is the policy of the council to treat restricted contributions as unrestricted if the restriction is met in the same year as the contribution is made.



Stampfli Associates, CPAs, P.C.

November 26, 2008

Greater Bloomington Chamber of Commerce Foundation, Inc.
400 W Seventh St.
Bloomington IN, 47404

We have audited the financial statements of the Greater Bloomington Chamber of Commerce Foundation, Inc. for the year ended August 31, 2008, and have issued our report thereon dated November 26, 2008. Professional standards require that we provide you with the following information related to our audit.

In planning and performing our audit of the financial statements of the Greater Bloomington Chamber of Commerce Foundation, Inc. as of and for the year ended August 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Greater Bloomington Chamber of Commerce Foundation, Inc.'s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. As part of our audit, we performed procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they had been implemented. We also performed procedures to test the operating effectiveness of certain controls. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

Recent changes in auditing standards require the written communication of certain internal control matters that have not been so reported in the past. Some of the matters described in the following paragraphs have long been typical to organizations of your size and type. They have been considered well known and to pose little risk on a routine basis. Nevertheless, such matters meet the revised standards for reporting at the conclusion of an audit and are therefore reported in accordance with new auditing requirements.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control. We consider the following deficiency to be a significant deficiency in internal control.

The organization has developed internal control documentation for many, but not all significant accounting procedures. Documentation of internal control processes is used to provide a consistent plan of internal control without the need to rely upon institutional memory of individual staff members. Without such documentation lapses can occur because of staff turnover, shifting recollections by staff and unwarranted changes in processes. The organization might consider expanding documentation of the remaining undocumented internal control procedures.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated October 7, 2008, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

1. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.
2. As part of our audit, we considered the internal control of the Greater Bloomington Chamber of Commerce Foundation, Inc. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
3. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated with management and those charged with governance.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Greater Bloomington Chamber of Commerce Foundation, Inc. are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2008. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the allocation of functional expenses.

Management's estimate of the allocation of functional expenses was based on consideration of duties performed by individual employees and the nature of various expenses. We evaluated the key factors and assumptions used to develop the estimate of functional allocation in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatement detected as a result of audit procedures was corrected by management.

An adjustment was made to increase revenue and expense by \$34,070 pertaining to grant funds received by the organization and then expended. The funds were under the organization's control although they were intended for the ultimate beneficiary.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 26, 2008.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Finance Committee, Board of Directors, and management of the Greater Bloomington Chamber of Commerce Foundation, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Stampac Associates