

**COMMUNITY FOUNDATION OF
GREATER JACKSON, INC.**

Audited Financial Statements
Year Ended March 31, 2010
(With Summarized Financial Information
for the Year Ended March 31, 2009)

CONTENTS

Independent Auditor's Report	1
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Financial Statements	
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6 – 14
Independent Auditor's Report on Supplementary Information	15
Schedules of Operations	16
Schedules of Contribution Income	17

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Community Foundation of Greater Jackson, Inc.
Jackson, Mississippi

We have audited the accompanying statement of financial position of Community Foundation of Greater Jackson, Inc. (the "Foundation") as of March 31, 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information included in the statements of activities and statements of functional expenses has been derived from the Foundation's 2009 financial statements and, in our report dated August 5, 2009, 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 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 Foundation as of March 31, 2010, 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.



Ridgeland, Mississippi
August 16, 2010

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Statements of Financial Position

March 31, 2010 and 2009

	2010	2009
ASSETS		
Current assets		
Cash	\$ 48,702	\$ 245,902
Money market funds	2,264,698	2,614,156
Contribution receivable - charitable lead trust, current portion	88,707	82,842
Total current assets	<u>2,402,107</u>	<u>2,942,900</u>
Investments in marketable securities	22,536,392	13,380,240
Contribution receivable - charitable lead annuity trust, less current portion	483,622	572,329
Cash surrender value of life insurance policy	63,418	62,457
Equipment and furnishings, net of accumulated depreciation	1,503	7,873
Total assets	<u>\$ 25,487,042</u>	<u>\$ 16,965,799</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Amounts held for others under agency transactions	\$ 3,780,555	\$ 1,524,468
Grants payable	10,805	292,487
Total current liabilities	<u>3,791,360</u>	<u>1,816,955</u>
Net assets		
Unrestricted	14,473,650	10,032,716
Temporarily restricted	7,222,032	5,116,128
Total net assets	<u>21,695,682</u>	<u>15,148,844</u>
Total liabilities and net assets	<u>\$ 25,487,042</u>	<u>\$ 16,965,799</u>

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
 Statements of Activities
 Year Ended March 31, 2010
 (With Summarized Financial Information for the Year Ended March 31, 2009)

	Unrestricted Funds	Temporarily Restricted Funds	Total All Funds	
			2010	2009
Revenue, gains and other support				
Contributions	\$ 3,618,051	\$ 240,411	\$ 3,858,462	\$ 2,489,247
Interest and dividends	228,540	95,084	323,624	621,984
Capital gain distributions	-	-	-	27,731
Realized losses on investments	(292,456)	(426,985)	(719,441)	(1,637,233)
Unrealized gains (losses) on investments	3,198,672	2,947,090	6,145,762	(5,004,543)
Miscellaneous income	-	710	710	88,981
Administrative fees for agency funds	18,998	-	18,998	7,010
Net assets released from restrictions				
Satisfaction of program restrictions	799,039	(799,039)	-	-
Total revenue, gains and other support	7,570,844	2,057,271	9,628,115	(3,406,823)
Expenses				
Program services	2,748,487	-	2,748,487	2,760,738
Management and general	98,884	-	98,884	138,847
Fund raising	34,587	-	34,587	46,844
Total expenses	2,881,958	-	2,881,958	2,946,429
Change in net assets	4,688,886	2,057,271	6,746,157	(6,353,252)
Reclassification of net assets (to) from amounts held for others under agency transactions	(247,952)	48,633	(199,319)	-
Net assets, beginning of year	10,032,716	5,116,128	15,148,844	21,502,096
Net assets, end of year	\$ 14,473,650	\$ 7,222,032	\$ 21,695,682	\$ 15,148,844

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
 Statements of Functional Expenses
 Year Ended March 31, 2010
 (With Summarized Financial Information for the Year Ended March 31, 2009)

	Program Services	Management and General	Fund Raising	Total Expenses	
				2010	2009
Direct expenses					
Grants and scholarships	\$ 2,149,968	\$ -	\$ -	\$ 2,149,968	\$ 1,925,876
Events	130,732	-	-	130,732	162,081
Conferences and meetings	7,429	-	-	7,429	11,549
Investment and management fees	74,051	-	-	74,051	56,571
Total direct expenses	2,362,180	-	-	2,362,180	2,156,077
Allocated expenses					
Accounting and legal	1,750	33,250	-	35,000	65,451
Bank fees	4,443	-	-	4,443	4,636
Consultation and website development	-	-	-	-	79,911
Contract labor	1,500	-	-	1,500	15,230
Depreciation	2,134	229	178	2,541	2,960
Dues and subscriptions	3,310	355	276	3,941	4,584
Employee benefits	22,918	2,455	1,910	27,283	37,197
Equipment repair and maintenance	-	-	-	-	551
Insurance	4,439	476	370	5,285	3,764
Meals and entertainment	648	69	54	771	7,259
Miscellaneous	2,172	2,646	181	4,999	6,134
Payroll taxes	20,846	2,234	1,737	24,817	28,913
Postage	5,624	603	469	6,696	11,717
Printing	14,415	1,758	1,406	17,579	41,450
Promotions	-	-	-	-	985
Rent	16,440	16,440	-	32,880	32,880
Salaries and wages	267,581	36,338	26,428	330,347	408,998
Software consultation and training	-	-	-	-	8,950
Software hosting	11,880	1,273	990	14,143	19,091
Supplies	3,164	432	334	3,930	5,741
Telephone	3,043	326	254	3,623	3,950
Total allocated expenses	386,307	98,884	34,587	519,778	790,352
Total	\$ 2,748,487	\$ 98,884	\$ 34,587	\$ 2,881,958	\$ 2,946,429

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Statements of Cash Flows

Years Ended March 31, 2010 and 2009

	2010	2009
Cash flows from operating activities		
Change in net assets, net of reclassification to agency funds	\$ 6,546,838	\$ (6,353,252)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	2,541	2,960
(Gain) loss on disposal of assets, net	3,829	-
Realized (gains) losses on investments	719,441	1,637,233
Unrealized (gains) losses on investments	(6,145,762)	5,004,544
Contribution of equipment and furnishings	-	(4,000)
Changes in assets and liabilities		
Contribution receivable - charitable lead trust	82,842	77,364
Unconditional promises to give	-	44,816
Grants payable	(281,682)	274,584
(Increase) decrease in cash surrender value of life insurance policy	(961)	488
Amounts held for others under agency transactions	1,395,370	314,154
Net cash provided by operating activities	<u>2,322,456</u>	<u>998,891</u>
Cash flows from investing activities		
Purchases of equipment and furnishings	-	(794)
Proceeds from sale of investments	7,105,529	10,750,661
Purchase of investments	(9,974,643)	(16,790,256)
Net cash used in investing activities	<u>(2,869,114)</u>	<u>(6,040,389)</u>
Net decrease in cash and cash equivalents	(546,658)	(5,041,498)
Cash and cash equivalents, beginning of year	<u>2,860,058</u>	<u>7,901,556</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,313,400</u></u>	<u><u>\$ 2,860,058</u></u>
Cash and cash equivalents consist of		
Cash	\$ 48,702	\$ 245,902
Money market funds	2,264,698	2,614,156
Total	<u><u>\$ 2,313,400</u></u>	<u><u>\$ 2,860,058</u></u>

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Community Foundation of Greater Jackson (the "Foundation") is a nonprofit, community corporation created by and for the people of Hinds, Rankin and Madison Counties to help charitable donors establish permanent giving funds that reflect individual philanthropic interests while also making a long-term, positive impact on the community.

Recently Issued Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") approved the FASB Accounting Standards Codification (the "ASC") as the single source of authoritative nongovernmental U.S. GAAP as of July 1, 2009. The ASC is effective for interim and annual periods ending after September 15, 2009. The ASC reorganizes the many U.S. GAAP pronouncements into approximately 90 accounting topics, with all topics using a consistent structure. The ASC does not change or alter existing GAAP and did not have any impact on the accompanying financial statements. Effective July 1, 2009, changes to the ASC are communicated through an Accounting Standards Update ("ASU").

In July 2006, the FASB issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109*, codified in ASC Topic 740. This standard clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribes a recognition threshold and measurement attribute for tax positions taken or expected to be taken on a tax return including the entity's status as a tax-exempt not-for-profit entity. Additionally, ASC Topic 740 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Foundation adopted this standard effective April 1, 2009. The Foundation had no significant uncertain tax positions at the date of adoption or at December 31, 2009. Accordingly, the adoption did not have a material effect on the Foundation's financial position or changes in net assets. If interest and penalties are incurred related to uncertain tax positions, such amounts are recognized in income tax expense. Tax periods for all fiscal years after 2006 remain open to examination by the federal and state taxing jurisdictions to which the Foundation is subject.

Basis of Presentation

The Foundation's financial statements are presented on the accrual basis and report information regarding its financial position and activities according to three classes of net assets: (1) unrestricted net assets, (2) temporarily restricted net assets and (3) permanently restricted net assets.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 1. Continued

assets and liabilities 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.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with maturity when purchased of three months or less to be cash equivalents.

Investments

Investments in equity securities and all investments in debt securities are measured at fair value in the financial statements. Investment income or loss, including realized and unrealized gains and losses on investments, interest and dividends, is included in the statements of activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or by law.

The Foundation's investments are allocated among equity and fixed income securities. The Foundation desires to maintain a diversified mix of assets and maintains an investment policy that is monitored by management and the Investment Committee.

Equipment and Furnishings

Equipment and furnishings are stated at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated lives of the assets. It is the policy of the Foundation to capitalize all fixed asset purchases with a minimum useful life of one year and a minimum cost of \$500.

Amounts Held for Others Under Agency Transactions

The Foundation accounts for amounts held for others under agency transactions in accordance with ASC 958-605, *Transfers of Assets to a Not-For-Profit Entity or Charitable Trust That Raises or Holds Contributions for Others* ("ASC 958-605"). This statement establishes standards for transactions in which a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets or both to another entity that is specified by the donor. ASC 958-605 specifically requires that if a not-for-profit organization establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as "amounts held for others under agency transactions".

Net Assets

Restricted net assets are those which have been restricted by donors outside of the Foundation. The restriction may be temporary or permanent, depending upon the terms of the gift. When a

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 1. Continued

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 statements of activities as net assets released from restriction. Gifts whose restrictions are met in the same reporting period are reported as unrestricted gifts.

Contributions

Contributions are recognized as revenue when they are received or unconditionally promised.

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 statements of activities as net assets released from restrictions.

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. See note 8 for discussion of contributed services.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Income Taxes

The Foundation is a not-for-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Advertising

Advertising costs are expensed as incurred. The Foundation incurred advertising expenses of \$2,166 during the year ended March 31, 2010 and did not incur advertising expenses during the year ended March 31, 2009. These expenses are included in miscellaneous expenses on the statements of functional expenses.

Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 1. Continued

America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended March 31, 2009, from which the summarized information was derived.

Fair Value Disclosures

ASC 820-10, *Fair Value Measurements and Disclosures* ("ASC 820-10"), establishes a framework for measuring fair value and establishes a hierarchy that categorizes and prioritizes the sources to be used to estimate fair value. ASC 820-10 also expands financial statement disclosures about fair value measurements. Under ASC 820-10, fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. ASC 820-10 also establishes a three-tier hierarchy for inputs used in measuring fair value, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

- | | |
|----------------|--|
| <i>Level 1</i> | Quoted prices in active markets for identical assets or liabilities. |
| <i>Level 2</i> | Directly or indirectly observable inputs other than Level 1 prices, such as quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks and default rates); or inputs that are derived principally from or corroborated by observable market data by correlation or other means. |
| <i>Level 3</i> | Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities would include financial instruments whose value is determined using pricing models, discounted cash flow methodologies or similar techniques, as well as for which the determination of the fair value requires significant management judgment or estimation. |

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Assets measured at fair value are summarized below as of March 31, 2010 and 2009:

Level 1 – Investments in equity and debt securities.

1. Investments, as defined on the statement of financial position, primarily represent the Foundation's funds held as pooled and managed investments in various equity and debt securities. The funds are stated at fair market value as quoted on the active market (see Note 3).

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 1. Continued

Level 2 – None.

Level 3 – None.

Reclassifications

During 2010, the Women's Fund elected to hold their unrestricted Board-designated funds at the Foundation. As a result, the Foundation reclassified these unrestricted net assets relating to the Women's Fund to amounts held for others under agency transactions. The reclassification resulted in a decrease of \$247,952 to unrestricted net assets and had no impact to change in net assets.

There were also certain amounts in the prior year financial statements that were reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications had no effect on previously recorded change in net assets.

Note 2. Charitable Lead Annuity Trust

The Foundation is the beneficiary of a charitable lead annuity trust. The Foundation recorded amortization of the discount associated with the estimated present value of the receivable in the amount of \$40,958 and \$46,436 as a contribution in 2010 and 2009, respectively.

The status of the amounts recorded under the charitable lead annuity trust are as follows at March 31, 2010 and 2009:

	2010	2009
Remaining quarterly payments	\$ 680,900	\$ 804,700
Less: discount at 6.5 percent	108,571	149,529
Present value of amounts receivable	572,329	655,171
Current portion of present value	88,707	82,842
Long-term portion of present value	\$ 483,622	\$ 572,329

The charitable lead annuity trust is scheduled to be received as follows:

Within one year	\$ 123,800
Two to five years	495,200
Over five years	61,900
	\$ 680,900

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 3. Investments in Marketable Securities

The details of investments in marketable securities at March 31, 2010 were as follows:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Equity mutual funds	\$ 17,153,635	\$ 18,025,611	\$ 871,976
Fixed income mutual fund	3,778,120	3,890,529	112,409
Common stock	589,207	573,925	(15,282)
Commercial deposits	46,327	46,327	-
	<u>\$ 21,567,289</u>	<u>\$ 22,536,392</u>	<u>\$ 969,103</u>

Amounts shown as cost include reinvested dividends.

Investment return is classified in the statements of activities based on the donor's requirements for invested funds. The following schedule summarizes the investment return and its classification in the statements of activities for the year ended March 31, 2010.

	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 228,540	\$ 95,084	\$ 323,624
Realized losses	(292,456)	(426,985)	(719,441)
Unrealized gains	3,198,672	2,947,090	6,145,762
	<u>\$ 3,134,756</u>	<u>\$ 2,615,189</u>	<u>\$ 5,749,945</u>

The details of investments in marketable securities at March 31, 2009 were as follows:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Equity mutual funds	\$ 14,881,916	\$ 9,731,554	\$ (5,150,362)
Fixed income mutual fund	2,400,018	2,197,734	(202,284)
Common stock	2,279,588	1,450,952	(828,636)
	<u>\$ 19,561,522</u>	<u>\$ 13,380,240</u>	<u>\$ (6,181,282)</u>

Amounts shown as cost include reinvested dividends.

Investment return is classified in the statement of activities based on the donor's requirements for invested funds. The following schedule summarizes the investment return and its classification in the statements of activities for the year ended March 31, 2009.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 3. Continued

	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 324,425	\$ 297,559	\$ 621,984
Capital gain distributions	16,811	10,920	27,731
Realized losses	(1,193,282)	(443,951)	(1,637,233)
Unrealized losses	(2,526,747)	(2,477,796)	(5,004,543)
	<u>\$ (3,378,793)</u>	<u>\$ (2,613,268)</u>	<u>\$ (5,992,061)</u>

During 2010, investments of \$2,423,942 were contributed to the Foundation. Investments were subsequently sold and are included in proceeds from sale of investments on the statements of cash flows.

Note 4. Amounts Held for Others Under Agency Transactions

At March 31, 2010 and 2009, the Foundation was the intermediary for agency endowment funds with a combined value of \$3,780,555 and \$1,524,468, respectively. The following table summarizes activity in such funds during the year ended March 31, 2010.

	2010	2009
Agency endowment fund balances at April 1	\$ 1,524,468	\$ 1,967,638
Contributions	1,317,617	347,128
Reclassification from unrestricted funds	199,319	-
Investment income	42,635	82,528
Realized loss on investments	(137,174)	(69,928)
Unrealized gain (loss) on investments	997,892	(658,630)
Management fees and grants paid on behalf of fund(s)	(164,202)	(144,268)
Agency endowment fund balances at March 31	<u>\$ 3,780,555</u>	<u>\$ 1,524,468</u>

Note 5. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of March 31, 2010 and 2009:

	2010	2009
Art	\$ 105,278	\$ -
Children's Cancer Clinic	388,212	258,387
Catholic church and other non-profits	204,313	143,003
Community enrichment	903,761	638,502

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 5. Continued

	2010	2009
Educational purposes	\$ 3,330,613	\$ 2,291,223
Episcopal Diocese operations	338,213	223,146
Historic preservation	-	7,743
Journalism awards	33,914	22,603
Library	14,152	9,599
Mission work	22,141	15,584
Mid-South Foundation purposes	230,658	153,533
Museums	36,249	23,986
Musicians	122,503	79,170
Parks and recreation	-	3,090
Scholarships	1,371,331	1,000,819
Special needs	2,674	-
Underprivileged children	47,299	33,726
Other	70,721	212,014
	<u>\$ 7,222,032</u>	<u>\$ 5,116,128</u>

Note 6. Leases

The Foundation leases its office facilities under a long-term, non-cancelable operating lease agreement. The Foundation entered into a new lease agreement effective January 1, 2005 and expiring December 31, 2009. During 2009 the Foundation exercised a two-year extension option. The renewed lease term expires December 31, 2011. Total rent expense for 2010 and 2009 for all operating leases was \$32,880, respectively.

The following is a schedule by year of future minimum rental payments required under the operating lease agreement:

Year Ending	Amount
2011	\$ 32,880
2012	32,880
	<u>\$ 65,760</u>

Note 7. Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of money market funds and securities at brokerage firms. Balances are insured up to \$500,000, including a \$100,000 limit for cash, by the Securities Investor Protection Corporation ("SIPC"). At March 31, 2010, the Foundation had approximately \$19,967,624 in excess of SIPC insured limits.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2010 and 2009

NOTES TO FINANCIAL STATEMENTS

Note 8. Contributed Services

The facility utilized by the Foundation is provided at a cost that is less than fair rental value. Rental expense for the years ended March 31, 2010 and 2009 includes \$16,440 of contributed rent, respectively. These amounts are reflected in the accompanying financial statements as contribution revenue and rent expense.

Services are contributed to the Foundation by various individuals and organizations. There were no additional contributed services for the year ended March 31, 2010. For the year ended March 31, 2009, professional fees of \$4,888, consultation and website development fees of \$79,911 and other miscellaneous fees of \$11,440 were contributed to the Foundation at no charge. These fees represent the fair value of the services had the Foundation been required to pay for them, and are reflected in the accompanying financial statements as contribution revenue, legal expense, publications, promotions and printing expense, respectively.

Note 9. Profit Sharing 401(k) Retirement Plan

Effective May 1, 2007, the Foundation established a safe harbor, contributory 401(k) profit sharing plan (the "Plan") covering substantially all full-time employees. Employees are allowed to contribute a percentage of their annual wages to the Plan, subject to certain Internal Revenue Service limitations. The Foundation contributes a safe harbor non-elective contribution of 3 percent and a discretionary age-weighted contribution. The Company's total contributions to the Plan were \$3,118 and \$5,024 in 2010 and 2009, respectively.

Note 10. Subsequent Events

The Foundation has evaluated subsequent events through August 16, 2010, the date the financial statements were available to be issued.

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

Board of Trustees
Community Foundation of Greater Jackson, Inc.
Jackson, Mississippi

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 16 – 17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Ridgeland, Mississippi
August 16, 2010

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Schedules of Operations

March 31, 2010, 2009, 2008 & 2007

	2010	2009	2008	2007
Total revenues, gains and other	\$ 9,628,115	\$ (3,406,823)	\$ 8,041,626	\$ 4,029,554
Plus: Unrealized losses (gains) on investments	(6,145,762)	5,004,543	2,191,473	(299,978)
Realized (gains), losses on investments	719,441	1,637,233	(204,447)	(254,967)
Capital gain distributions	-	(27,731)	(820,483)	(408,498)
Adjusted revenues	4,201,794	3,207,222	9,208,169	3,066,111
Total expenses	(2,881,958)	(2,946,429)	(3,578,816)	(2,990,888)
Change in net assets, net of market effect and nonrecurring contributions	<u>\$ 1,319,836</u>	<u>\$ 260,793</u>	<u>\$ 5,629,353</u>	<u>\$ 75,223</u>

The schedule is presented to provide supplemental information relating to the change of net assets, net of market effect. Market effects include changes in unrealized losses (gains), realized losses (gains) and capital gain distributions.

See independent accountant's report on supplementary information.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Schedules of Contribution Income
March 31, 2010, 2009, 2008 & 2007

	2010	2009	2008	2007
Contributions	\$ 3,858,462	\$ 2,489,247	\$ 8,702,804	\$ 2,391,246
Less nonrecurring contributions	<u>(3,114,118)</u>	<u>-</u>	<u>(5,978,945)</u>	<u>-</u>
Adjusted contributions	<u>\$ 744,344</u>	<u>\$ 2,489,247</u>	<u>\$ 2,723,859</u>	<u>\$ 2,391,246</u>

The schedule represents a four year comparison of contributions net of nonrecurring contributions. Nonrecurring contributions are defined as significant, one-time contributions.

See independent accountant's report on supplementary information.