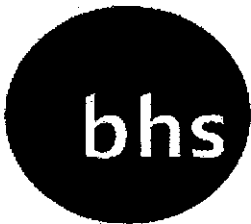


**West Virginia Public Broadcasting Foundation, Inc.**

Regular Audit

July 1, 2008 through June 30, 2009



**Balestra, Harr & Scherer, CPAs, Inc.**

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528 South West St, P.O. Box 687, Piketon, Ohio 45661 Phone: 740.289.4131 Fax: 740.289.3639

**WEST VIRGINIA PUBLIC BROADCASTING FOUNDATION, INC.****REGULAR AUDIT REPORT****YEAR ENDED JUNE 30, 2009****TABLE OF CONTENTS**

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**BALESTRA, HARR & SCHERER, CPAs, INC.**

528 South West Street, P.O. Box 687  
Piketon, Ohio 45661

Telephone (740) 289-4131  
Fax (740) 289-3639  
www.bhspcpas.com

Member American Institute of Certified Public Accountants

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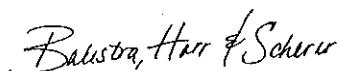
**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
West Virginia Public Broadcasting  
Foundation, Inc.  
Charleston, West Virginia

We have audited the accompanying statement of financial position of the West Virginia Public Broadcasting Foundation, Inc. (the Foundation) as of June 30, 2009, and the related statements of financial activity 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.

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 June 30, 2009, and the results of its operations and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Balestra, Harr & Scherer, CPAs, Inc.  
September 15, 2009

**WEST VIRGINIA BROADCASTING FOUNDATION, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2009 WITH COMPARATIVE TOTALS AS OF JUNE 30, 2008**

|   | ASSETS         |                     |                   |                     | 2008 Totals<br>(Memorandum<br>Only) |
|---|----------------|---------------------|-------------------|---------------------|-------------------------------------|
|   | Administration | Television          | Radio             | 2009<br>Total       |                                     |
| <b>CURRENT ASSETS</b>                         |                |                     |                   |                     |                                     |
| Cash and cash equivalents                     | \$ 669         | \$ 496,816          | \$ 143,336        | \$ 640,821          | \$ 523,487                          |
| Marketable securities                         | -              | 96,849              | 23,598            | 120,447             | 165,648                             |
| Accounts receivable                           | -              | 116,763             | 105,013           | 221,776             | 370,463                             |
| Program rights, less accumulated amortization | -              | 33,821              | -                 | 33,821              | 69,255                              |
| <b>TOTAL CURRENT ASSETS</b>                   | <u>669</u>     | <u>744,249</u>      | <u>271,947</u>    | <u>1,016,865</u>    | <u>1,128,853</u>                    |
| <b>OTHER ASSETS</b>                           |                |                     |                   |                     |                                     |
| Beneficial interest in perpetual trust        | -              | 259,988             | -                 | 259,988             | 341,619                             |
| <b>TOTAL ASSETS</b>                           | <u>\$ 669</u>  | <u>\$ 1,004,237</u> | <u>\$ 271,947</u> | <u>\$ 1,276,853</u> | <u>\$ 1,470,472</u>                 |
| <b>LIABILITIES AND NET ASSETS</b>             |                |                     |                   |                     |                                     |
| <b>CURRENT LIABILITIES</b>                    |                |                     |                   |                     |                                     |
| Accounts payable                              | \$ -           | \$ 13,330           | \$ 32,238         | \$ 45,568           | \$ 61,491                           |
| Deferred revenue                              | -              | 43,215              | 22,626            | 65,841              | 68,720                              |
| <b>TOTAL CURRENT LIABILITIES</b>              | <u>-</u>       | <u>56,545</u>       | <u>54,864</u>     | <u>111,409</u>      | <u>130,211</u>                      |
| <b>NET ASSETS</b>                             |                |                     |                   |                     |                                     |
| Unrestricted                                  | 669            | 687,704             | 217,083           | 905,456             | 1,340,261                           |
| Permanently Restricted                        | -              | 259,988             | -                 | 259,988             | -                                   |
| <b>TOTAL NET ASSETS</b>                       | <u>669</u>     | <u>947,692</u>      | <u>217,083</u>    | <u>1,165,444</u>    | <u>1,340,261</u>                    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>       | <u>\$ 669</u>  | <u>\$ 1,004,237</u> | <u>\$ 271,947</u> | <u>\$ 1,276,853</u> | <u>\$ 1,470,472</u>                 |

The accompanying notes to the financial statements are an integral part of this statement.

**WEST VIRGINIA PUBLIC BROADCASTING FOUNDATION, INC.**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**YEAR ENDED JUNE 30, 2009 WITH COMPARATIVE**  
**TOTALS FOR THE YEAR ENDED JUNE 30, 2008**

|  | <u>Administration</u> | <u>Television</u> | <u>Radio</u>      | <u>2009<br/>Total</u> | <u>2008 Totals<br/>(Memorandum<br/>Only)</u> |
|--|-----------------------|-------------------|-------------------|-----------------------|--|
| <b>SUPPORT AND REVENUE</b>   |                       |                   |                   |                       |  |
| Community Service grants   | \$ -                  | \$ 1,063,374      | \$ 410,133        | \$ 1,473,507          | \$ 1,328,359                                 |
| Other grants   | -                     | 42,491            | 23,264            | 65,755                | 182,112                                      |
| Membership income and individual payments  | -                     | 76,717            | 2,960             | 79,677                | 91,166                                       |
| Underwriting   | -                     | 195,511           | 429,050           | 624,561               | 860,999                                      |
| Interest income  | -                     | 54                | 41                | 95                    | 56   |
| Other income   | 2,300                 | 33,087            | 195,499           | 230,886               | 346,608                                      |
| <b>TOTAL SUPPORT AND REVENUE</b>   | <u>2,300</u>          | <u>1,411,234</u>  | <u>1,060,947</u>  | <u>2,474,481</u>      | <u>2,809,300</u>                             |
| <b>EXPENSES</b>  |                       |                   |                   |                       |  |
| Program Services:  |                       |                   |                   |                       |  |
| Programming and production   | -                     | 1,275,214         | 900,251           | 2,175,465             | 2,112,253                                    |
| Broadcasting   | -                     | 46,199            | 26,290            | 72,489                | 103,173                                      |
| Public information   | 13,926                | 54,124            | 28,438            | 96,488                | 52,947                                       |
| Total program expenses   | <u>13,926</u>         | <u>1,375,537</u>  | <u>954,979</u>    | <u>2,344,442</u>      | <u>2,268,373</u>                             |
| Supporting Services:   |                       |                   |                   |                       |  |
| Fundraising  | -                     | 4,694             | 18,193            | 22,887                | 53,235                                       |
| Management and general   | 1                     | 43,611            | 57,389            | 101,001               | 143,808                                      |
| Total supporting expenses  | <u>1</u>              | <u>48,305</u>     | <u>75,582</u>     | <u>123,888</u>        | <u>197,043</u>                               |
| <b>TOTAL EXPENSES</b>  | <u>13,927</u>         | <u>1,423,842</u>  | <u>1,030,561</u>  | <u>2,468,330</u>      | <u>2,465,416</u>                             |
| <b>EXCESS (DEFICIENCY) OF<br/>SUPPORT AND REVENUE OVER<br/>EXPENSES PRIOR TO CHANGE IN<br/>INVESTMENTS</b> |                       |                   |                   |                       |  |
|  | (11,627)              | (12,608)          | 30,386            | 6,151                 | 343,884                                      |
| <b>CHANGES IN INVESTMENTS</b>  |                       |                   |                   |                       |  |
| Loss on Investments  | -                     | (34,662)          | (7,344)           | (42,006)              | (14,149)                                     |
| Net gain (loss) - beneficial interest in perpetual trust   | -                     | (81,631)          | -                 | (81,631)              | (44,250)                                     |
| Total Change in Investments  | -                     | (116,293)         | (7,344)           | (123,637)             | (58,399)                                     |
| <b>CHANGE IN NET ASSETS</b>  | (11,627)              | (128,901)         | 23,042            | (117,486)             | 285,485                                      |
| <b>NET ASSETS, BEGINNING</b>   | 2,296                 | 964,700           | 373,265           | 1,340,261             | 1,188,083                                    |
| Transfers between funds and entities   | 10,000                | 111,893           | (179,224)         | (57,331)              | (133,307)                                    |
| <b>NET ASSETS, ENDING</b>  | <u>\$ 669</u>         | <u>\$ 947,692</u> | <u>\$ 217,083</u> | <u>\$ 1,165,444</u>   | <u>\$ 1,340,261</u>                          |

The accompanying notes to the financial statements are an integral part of the financial statements.

**WEST VIRGINIA PUBLIC BROADCASTING FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2009 WITH COMPARATIVE**  
**TOTALS FOR THE YEAR ENDED ENDED JUNE 30, 2008**

|  | <u>Administration</u> | <u>Television</u> | <u>Radio</u>      | <u>2009<br/>Total</u> | <u>2008 Total<br/>(Memorandum<br/>Only)</u> |
|--|-----------------------|-------------------|-------------------|-----------------------|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |                       |                   |                   |                       |   |
| Excess (deficiency) of support and revenue over/(under) expenses   | \$ (11,627)           | \$ (128,901)      | \$ 23,042         | \$ (117,486)          | \$ 285,485                                  |
| Adjustments to reconcile excess (deficiency) of support and revenue over expenses and to cash provided by/(used for) operating activities: |                       |                   |                   |                       |   |
| Amortization   | -                     | 52,175            | -                 | 52,175                | 50,223                                      |
| Change in value of perpetual trust   | -                     | 81,631            | -                 | 81,631                | 44,250                                      |
| Changes in assets and liabilities:   |                       |                   |                   |                       |   |
| Receivables  | -                     | 9,161             | 139,526           | 148,687               | (83,556)                                    |
| Other assets   | -                     | 35,434            | -                 | 35,434                | (40,273)                                    |
| Accounts payable   | -                     | (21,321)          | 5,398             | (15,923)              | 24,685                                      |
| Deferred revenue   | -                     | 15,128            | (18,007)          | (2,879)               | (50,357)                                    |
| <b>NET CASH PROVIDED BY/(USED FOR) OPERATING ACTIVITIES</b>  | <b>(11,627)</b>       | <b>43,307</b>     | <b>149,959</b>    | <b>181,639</b>        | <b>230,457</b>                              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |                       |                   |                   |                       |   |
| Sales of marketable securities   | -                     | 1,684             | 1,511             | 3,195                 | 7,856                                       |
| Loss on investments  | -                     | 34,662            | 7,344             | 42,006                | 14,149                                      |
| <b>NET CASH PROVIDED BY/(USED FOR) INVESTING ACTIVITIES</b>  | <b>-</b>              | <b>36,346</b>     | <b>8,855</b>      | <b>45,201</b>         | <b>22,005</b>                               |
| <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>   |                       |                   |                   |                       |   |
| Operating transfers in/(out)   | 10,000                | 111,893           | (179,224)         | (57,331)              | (133,307)                                   |
| <b>NET CASH PROVIDED BY/(USED FOR) NON-CAPITAL FINANCING ACTIVITIES</b>  | <b>10,000</b>         | <b>111,893</b>    | <b>(179,224)</b>  | <b>(57,331)</b>       | <b>(133,307)</b>                            |
| Net increase/(decrease) in cash and cash equivalents   | (1,627)               | 191,546           | (20,410)          | 169,509               | 119,155                                     |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>  | <b>2,296</b>          | <b>357,445</b>    | <b>163,746</b>    | <b>523,487</b>        | <b>404,332</b>                              |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>  | <b>\$ 669</b>         | <b>\$ 548,991</b> | <b>\$ 143,336</b> | <b>\$ 692,996</b>     | <b>\$ 523,487</b>                           |

The accompanying notes to the financial statements are an integral part of the financial statements

**WEST VIRGINIA BROADCASTING FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The West Virginia Public Broadcasting Foundation, Inc. (the Foundation) is a nonprofit corporation organized to receive, hold, disperse and invest monies or property given or donated to the West Virginia Educational Broadcasting Authority (WVEBA) for the educational and charitable purposes related to the preservation, maintenance, promotion, development and growth of educational and public broadcasting in the State of West Virginia. The WVEBA has sole discretion as to the use of the assets of the Foundation.

**A summary of significant accounting policies follows:**

**Basis of Accounting**

The accompanying financial statement have been prepared on the accrual basis of accounting and in accordance with applicable standards for governmental nonprofit organizations whereby revenues are recognized when earned and expenses are recognized when incurred.

**Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported revenues and expenses. Actual results could differ from those estimates.

**Property and Equipment**

Property and equipment items are recorded at cost. Depreciation is calculated by the straight-line method over the estimated useful lives of the assets. Expenditures for repairs and maintenance are charged to expense as incurred.

**Program Rights**

Program rights purchased by the Foundation from the Public Broadcasting Service on an annual basis are expensed in the year the assessment is accrued. All other program rights are amortized over the periods of their expected usage and are shown net of accumulated amortization. Amortization expense for the year ended June 30, 2009 was \$52,175.

**Revenue Recognition**

Unrestricted contributions and grants are recorded as revenue in the statement of financial activity in the period received. Contributions and grants restricted for specific projects are reported as deferred revenue until qualifying expenses have been incurred.

Donated or contributed services and materials are recorded at their fair value on the date of contribution.

**Cash and Cash Equivalents**

The Foundation considers cash on hand, cash in banks and certificates of deposit which are not subject to withdrawal restrictions or penalties and which have original maturities of ninety days or less to be cash equivalents.

**Trade Receivables**

Trade receivables are carried at the original invoice. Past experience has enabled management to determine that the collectibility of trade receivables is such that no allowance for uncollectible accounts is required for a fair presentation of the financial statements. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

**WEST VIRGINIA BROADCASTING FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Income Taxes**

The Foundation, which is not considered a private foundation, is a nonprofit corporation which is recognized as exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code.

**Functional Allocation of Expenses**

The costs of providing the programs and other activities have been summarized on a functional basis in the statement of financial activity. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Occupancy costs are allocated based upon square footage. Other costs requiring allocation to the functions are allocated mainly based upon usage.

**Distribution of Assets Upon Event of Dissolution**

In the event of dissolution, all assets of the Foundation would revert to the WVEBA, if in existence, or to another public corporation or organization which is exempt from income taxes.

**Advertising**

Advertising is expensed by the Foundation when purchased.

**Total Columns (Memorandum Only)**

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to aid in financial analysis. These amounts are not intended to present all information necessary for a fair presentation in accordance with accounting principles generally accepted in the United States of America.

**NOTE 2 – RISK MANAGEMENT**

The Foundation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Foundation participates in the State of West Virginia Board of Risk and Insurance Management (BRIM), a public entity risk pool established to account for and finance uninsured risks of losses for state agencies, institutions of higher education and component units. BRIM establishes premiums, bills participants, reinsures certain risks, and services claims. Premiums are established using methods which are not necessarily based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish reserves for catastrophic losses.

**NOTE 3 – REVENUE CONCENTRATIONS**

During the year ended June 30, 2009, approximately 47% percent of the Foundation's revenue consisted of grants from the Corporation for Public Broadcasting (CPB). The amount of CPB funding to which the Foundation is entitled is a function of nonfederal financial support generated by WVEBA, the Foundation, and related Friends organizations. Additionally, future funding levels are dependent upon the continued receipt of Federal appropriations by CPB.

**NOTE 4 – DEPOSITS**

At June 30, 2009, the carrying amount of deposits held with financial institutions was \$640,821 and the bank balance was \$690,398. The principal difference between the carry amount and bank balance are deposits in transit and outstanding checks. Of the bank balance, approximately \$534,329 was covered by Federal Depository Insurance, with the remaining \$156,069 was uninsured and uncollateralized. The Foundation also had petty cash of \$1,250.



**WEST VIRGINIA BROADCASTING FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**NOTE 5 – MARKETABLE EQUITY SECURITIES**

The Foundation investments include marketable equity securities that are reported at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains are reported as increases in unrestricted net assets in the reporting period in which the income and gains are recognized. The equity investments are as follows:

| <b>Equity Shares</b>                | <b># of Shares</b> | <b>Fair Value<br/>At 6/30/09</b> |
|-------------------------------------|--------------------|----------------------------------|
| ISHARES S&P Smallcap 600 Index Fund | 649                | \$ 29,638                        |
| ISHARES S&P 1500 Index Fund         | 589                | 29,598                           |
| ISHARES S&P Midcap 400 Index Fund   | 342                | 32,072                           |
| ISHARES S&P 500 Index Fund          | 521                | 29,139                           |
| TOTAL INVESTMENTS                   |                    | <u>\$ 120,447</u>                |

**NOTE 6 – RELATED PARTY TRANSACTIONS**

The Foundation is organized exclusively for the benefit of the WVEBA and is financially interrelated with WVEBA and various nonprofit Friends organizations that support WVEBA's public television and radio stations and shares common administrative and management personnel with WVEBA. Expenditures paid by the Foundation for the benefit of the WVEBA and affiliates will vary annually based upon available funding. There were no significant transactions with the various related entities during the year.

**NOTE 7 – ENDOWMENT TRUSTS**

In 2003, Television Friends of West Virginia Public Broadcasting, Inc. and Friends of West Virginia Public Radio, Inc. each contributed \$5,000 to a \$10,000 endowment established at the Beckley Area Foundation (BAF) to benefit the West Virginia Public Broadcasting Foundation, Inc. Under the terms of the Agreement, West Virginia Public Broadcasting Foundation, Inc. has the right to receive the income from the fund, but has no control over, or access to the assets of the fund. Therefore, the assets are not included in these financial statements. Funds received by the Friends groups or the Foundation for the benefit of this fund are transferred to the BAF on an annual basis or more often as significant amount of funds accumulate with spending will be authorized by the Foundation's Board of Directors. At June 30, 2009, the fund had a fair value of approximately \$46,252. This was a decrease of \$3,555 from the prior year.

During 2005, the Hersher Foundation created an endowment trust called the Betty J. Hersher Memorial fund for Cultural Programming in the amount of \$200,000 with the West Virginia Public Broadcasting Foundation, Inc. (WVPBF) as the beneficiary. Under the terms of the agreement, WVPBF must obtain an asset level of \$5,000,000 before the trust funds will be transferred to the Foundation. The WVPBF has the right to receive the income from the fund, but has no control over or access to the assets of the fund. Annual income distributions from the trust must be paid to WVPBF to provide funding for opera and other cultural programming on radio and television. The annual distribution for 2009 was \$10,000, split in a 75:25 ratio between television and radio.

**WEST VIRGINIA BROADCASTING FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**NOTE 8 – BENEFICIAL INTEREST OF PERPETUAL TRUST**

A donor established a trust with a national banking association naming an affiliate of the Foundation as a beneficiary of the charitable trust upon the benefactor's death; payments from the trust started in 2002. Under terms of the split-interest agreement, the Foundation is to receive 10% of the trust's income annually for its unrestricted use. The Foundation is required to report the present value of future cash flows in the accompanying financial statements. The Foundation reports the investment in the trust using the fair value of the trust's assets as determined by quoted market price, with the fair value change reported as a change in beneficial interest-permanently restricted net assets in the *statement of financial activity* which equated to a decrease of \$81,631 for 2008.

**NOTE 9 – OTHER INCOME**

Other income consisted of the following at June 20, 2009:

|                       |                   |
|-----------------------|-------------------|
|                       | <u>2009</u>       |
| Mountain Stage        | \$ 196,606        |
| Business and Industry | 16,516            |
| Other                 | 17,764            |
|                       | <u>\$ 230,886</u> |

**SUPPLEMENTAL INFORMATION**

**BALESTRA, HARR & SCHERER CPAs, INC.**

528 South West Street, P.O. Box 687  
Piketon, Ohio 45661

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Telephone (740) 289-4131  
Fax (740) 289-3639  
www.bhscpas.com

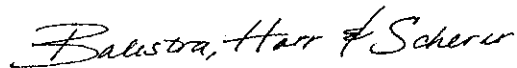
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**INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION**

Board of Directors  
West Virginia Public Broadcasting  
Foundation, Inc.  
Charleston, West Virginia

Our report on our audit of the basic financial statements of the West Virginia Public Broadcasting Foundation, Inc. (the Foundation) for 2009 appears on page 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 10-11 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 procedure applied in the audit 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.



Balestra, Harr & Scherer, CPAs, Inc.

September 15, 2009

**WEST VIRGINIA PUBLIC BROADCASTING FOUNDATION, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2009 WITH COMPARATIVE**  
**TOTALS FOR THE YEAR ENDED ENDED JUNE 30, 2008**

| <b>Program Services</b>                |   |                     |                               |                     |
|--|---|---------------------|-------------------------------|---------------------|
|  | <b>Programming<br/>and<br/>Production</b> | <b>Broadcasting</b> | <b>Public<br/>Information</b> | <b>Total</b>        |
| Salaries                               | \$ -                                      | \$ -                | \$ -                          | \$ -                |
| Professional services                  | 491,554                                   | 12,113              | 24,461                        | 528,128             |
| Office expense                         | 7,026                                     | 3,161               | 1,172                         | 11,359              |
| Telephone                              | -   | 222                 | 556                           | 778                 |
| Postage                                | 640                                       | 192                 | 2,316                         | 3,148               |
| Advertising                            | 28,431                                    | 2,302               | 16,145                        | 46,878              |
| Occupancy                              | 102                                       | 24,326              | -                             | 24,428              |
| Rental and maintenance of<br>equipment | 52,699                                    | 27,713              | 2,172                         | 82,584              |
| Printing and publication               | 689                                       | -                   | 1,700                         | 2,389               |
| Travel and transportation              | 85,256                                    | 1,421               | 26,604                        | 113,281             |
| Program costs                          | 1,453,160                                 | 1,039               | 7,608                         | 1,461,807           |
| Miscellaneous                          | 55,908                                    | -                   | 13,754                        | 69,662              |
| <b>TOTAL EXPENSES</b>                  | <b>\$ 2,175,465</b>                       | <b>\$ 72,489</b>    | <b>\$ 96,488</b>              | <b>\$ 2,344,442</b> |

The accompanying notes are an integral part of the financial statements.

| <b>Supporting Services</b> |                                       |                   |   |   |
|----------------------------|---------------------------------------|-------------------|---|---|
| <b>Fundraising</b>         | <b>Management<br/>and<br/>General</b> | <b>Total</b>      | <b>2009 Total<br/>Functional<br/>Expenses</b> | <b>2008 Total<br/>(Memorandum<br/>Only)</b> |
| \$ -                       | \$ -                                  | \$ -              | \$ -  | \$ 32,576                                   |
| 0                          | 30,338                                | 30,338            | 558,466                                       | 585,091                                     |
| 0                          | 2,809                                 | 2,809             | 14,168  | 18,097                                      |
| 0                          | 14,460                                | 14,460            | 15,238  | 23,638                                      |
| 23                         | 2,114                                 | 2,137             | 5,285   | 21,418                                      |
| 10,524                     | 177                                   | 10,701            | 57,579  | 27,779                                      |
| 0                          | 20,921                                | 20,921            | 45,349  | 7,986                                       |
| 44                         | 6,566                                 | 6,610             | 89,194  | 114,541                                     |
| 236                        | 0                                     | 236               | 2,625   | 3,844                                       |
| 4,770                      | 3,647                                 | 8,417             | 121,698                                       | 75,803                                      |
| 39                         | 0                                     | 39                | 1,461,846                                     | 1,509,990                                   |
| 7,251                      | 19,969                                | 27,220            | 96,882  | 97,804                                      |
| <b>\$ 22,887</b>           | <b>\$ 101,001</b>                     | <b>\$ 123,888</b> | <b>\$ 2,468,330</b>                           | <b>\$ 2,518,567</b>                         |

RFQ No. \_\_\_\_\_

STATE OF WEST VIRGINIA  
Purchasing Division

**PURCHASING AFFIDAVIT**

**West Virginia Code §5A-3-10a states:** No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

**DEFINITIONS:**

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceed five percent of the total contract amount.

**EXCEPTION:** The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

Under penalty of law for false swearing (*West Virginia Code §61-5-3*), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

**WITNESS THE FOLLOWING SIGNATURE**

Vendor's Name: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_, to-wit:

Taken, subscribed, and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

My Commission expires \_\_\_\_\_, 20\_\_.

**AFFIX SEAL HERE**

**NOTARY PUBLIC** \_\_\_\_\_

State of West Virginia

VENDOR PREFERENCE CERTIFICATE

Certification and application\* is hereby made for Preference in accordance with West Virginia Code, §5A-3-37. (Does not apply to construction contracts). West Virginia Code, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the West Virginia Code. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

- 1. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
2. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
3. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
4. Application is made for 5% resident vendor preference for the reason checked: Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
5. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
6. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: \_\_\_\_\_ Signed: \_\_\_\_\_

Date: \_\_\_\_\_ Title: \_\_\_\_\_

\*Check any combination of preference consideration(s) indicated above, which you are entitled to receive.