

**FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY
FOUNDATION, INC.
(A NON-PROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS, SUPPLEMENTARY
INFORMATION AND AUDITORS' REPORT ON INTERNAL
CONTROL AND COMPLIANCE
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009**

**TCBA WATSON RICE LLP
Certified Public Accountants
and
Advisors**

**FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY
FOUNDATION, INC.
(A NON-PROFIT ORGANIZATION)**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Florida Agricultural And Mechanical University Foundation, Inc.

We have audited the accompanying statements of financial position of the Florida Agricultural and Mechanical University Foundation, Inc. (the "Foundation") (a nonprofit organization) as of June 30, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation, as of and for the years ended June 30, 2010 and 2009, which collectively comprise the Foundation's basic financial statements as listed in the table of contents. 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 audits provide 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, 2010 and 2009, and the changes in its financial position and cash flows, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 14, 2010 on our consideration of the Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Foundation taken as a whole. The accompanying schedules of functional expenses on page 13 and the supplementary information on pages 14 through 16, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures 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.

Tallahassee, Florida
August 16, 2010

TCBA Watson Rice LLP

Florida Agricultural & Mechanical University Foundation, Inc.
(A Non Profit Organization)
STATEMENTS OF FINANCIAL POSITION

June 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 764,647	\$ 1,285,425
Current portion of unconditional promises to give, net (Note 2)	1,415,635	1,516,801
Loans and advances receivable	18,250	83,641
Other receivables	73,011	9,225
Furniture and equipment, net	5,199	3,938
Investments, at market	96,153,964	87,769,540
Total current assets	98,430,706	90,668,570
Non-current Assets		
Long term portion of unconditional promises to give, net (Note 2)	517,713	517,713
Total non-current assets	517,713	517,713
TOTAL ASSETS	\$ 98,948,419	\$ 91,186,283
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 81,905	\$ 39,595
Scholarships payable	62,028	27,103
Total Liabilities	143,933	66,698
Net Assets		
Unrestricted	1,143,985	1,533,756
Temporarily restricted	18,408,426	10,517,157
Permanently restricted	79,252,075	79,068,672
Total Net Assets	98,804,486	91,119,585
TOTAL LIABILITIES AND NET ASSETS	\$ 98,948,419	\$ 91,186,283

See accompanying notes to the financial statements

Florida Agricultural & Mechanical University Foundation, Inc.
(A Non Profit Organization)
STATEMENTS OF ACTIVITIES

For the Fiscal Years Ended June 30, 2010 and 2009

	2010	2009
UNRESTRICTED NET ASSETS		
Support and revenues:		
Administrative fees	\$ 779,397	\$ 825,825
In-kind donations	-	10,234
Interest Income	200,152	204,978
Other Income	3,693	4,262
Total unrestricted support and revenues	983,242	1,045,299
Net assets released from restrictions		
Restrictions satisfied by payments	5,570,081	7,060,622
Total unrestricted support, revenues, and reclassifications	6,553,323	8,105,921
Expenses:		
Program services		
University support	2,133,732	2,824,793
Scholarships and grants	1,993,058	2,623,182
Fundraising	642,912	786,822
Management and general	2,230,379	2,234,129
Total unrestricted expenses	7,000,081	8,468,926
Decrease in unrestricted net assets	(446,758)	(363,005)
TEMPORARILY RESTRICTED NET ASSETS		
Support and revenues:		
Gifts, grants and scholarships	3,378,748	4,040,157
Contributions	798,376	857,196
Investment income	2,333,702	2,549,918
Dues and subscriptions	125,590	98,860
Net realized and unrealized loss	7,055,130	(25,579,701)
Other income	187,018	148,796
Restrictions satisfied by payments	(5,570,081)	(7,060,622)
Increase (decrease) in temporarily restricted net assets	8,308,483	(24,945,396)
PERMANENTLY RESTRICTED NET ASSETS		
Support:		
Contributions	139,732	1,403,719
Dues and subscriptions	42,610	37,495
Other income	1,061	45
Increase in permanently restricted net assets	183,403	1,441,259
Increase (decrease) in net assets	8,045,128	(23,867,142)
Net Assets:		
Beginning net assets, as previously reported	90,759,358	114,986,727
Prior period adjustment	-	(360,227)
Adjusted beginning net assets	-	114,626,500
Ending net assets	\$ 98,804,486	\$ 90,759,358

See accompanying notes to the financial statements

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2010 and 2009

	2010	2009
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 7,674,614	\$ (23,844,151)
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Unrealized and realized gains (losses) on investments	(7,055,130)	25,579,701
Depreciation	973	2,150
Increase (decrease) in discount on unconditional promises to give	(8,670)	26,857
Increase (decrease) in allowance for unconditional promises to give	(8,237)	25,514
Gifts, grants, scholarships and contributions	(4,307,630)	(6,301,117)
(Increase) decrease in:		
Loans and advances receivable	65,391	(50,545)
Other receivables	(63,786)	14,119
Increase (decrease) in:		
Accounts payable and accrued expenses	42,310	(56,166)
Scholarships payable	34,925	(14,166)
	(3,625,240)	(4,617,804)
Net cash used in operating activities		
Cash flows from investing activities:		
Acquisition of furniture and equipment	(2,234)	(1,451)
Additional cash investments - net of withdrawals	(750,000)	(547,796)
Purchase of investments	(92,004,658)	(58,190,387)
Sale of investments	91,425,413	57,743,143
	(1,331,479)	(996,491)
Net cash used in investing activities		
Cash flows from financing activities:		
Collections of unconditional promises to pay	4,435,940	5,819,306
	4,435,940	5,819,306
Net cash provided by financing activities		
	(520,778)	205,011
Net (decrease) increase in cash and cash equivalents		
Cash and cash equivalents:		
Beginning of the year	1,285,425	1,080,446
End of the year	\$ 764,647	\$ 1,285,425
Non-cash investing activity:		
Donated facilities and services	\$ -	\$ 10,234

See accompanying notes to financial statements

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

The Florida Agricultural and Mechanical University Foundation, Inc. (the “Foundation”) is supported primarily through donor contributions, grants, and the State of Florida Department of Education’s Division of Colleges and Universities (“D.C.U.”).

During the years ended June 30, 2010 and 2009, the Foundation, under the matching program sponsored by the D.C.U. did not recognize any state matching revenues.

B. Financial Statement Presentation

The Foundation prepares its financial statements in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, “Financial Statements of Not-for-Profit Organizations”. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

The three (3) classes of net assets are presented below:

- **Unrestricted Net Assets** - represents resources which are not covered by donor-imposed restrictions; which have met all applicable restrictions and/or resources generated through sources other than receipts from donors.
- **Temporarily Restricted Net Assets** - represents resources recognized as restricted support until such a time when all associated restrictions have been met.
- **Permanently Restricted Net Assets** - represents resources that contain a stipulation that permanently restricts the use of such funds but allows earnings from the funds to be used in a certain manner.

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Contributions

In accordance with SFAS No. 116, "Accounting for Contributions Received and Contributions Made," contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

D. Promises to Give

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Foundation uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

E. Investments

The Foundation reports its investments in accordance with SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations". Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Real estate investments are stated primarily at current appraised values. Unrealized gains and losses are included in the changes in net assets.

F. Contributed Facilities and Services

During the years ended June 30, 2010 and 2009, the value of contributed facilities and services was none and \$10,234, respectively, and is included as support and expenses in the statement of activities. Contributed services included the cost of the employees of Florida Agricultural and Mechanical University (the "University") who provide services to the Foundation.

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Donated Property

Donations of property are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property are reported as restricted support. In the absence of donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor, at which time the Foundation reclassifies temporarily restricted net assets to unrestricted net assets. The Foundation makes no provision for depreciation of such real property. There was no donated property during the years ended June 30, 2010 and 2009.

H. Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Foundation considers uninvested cash in bank and certificates of deposits with maturities of three months or less to be cash and cash equivalents.

I. Fair Values of Financial Instruments

The following methods and assumptions were used by the Foundation in estimating its fair value disclosures for financial instruments:

- Cash, cash equivalents, short-term investments, and promises to give due in less than one year: the carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.
- Long-term investments: the fair values of long-term investments are based on quoted market prices for those or similar investments.

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Income Taxes

The Foundation is a not-for-profit organization exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to the Foundation's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Foundation qualifies for the charitable contributions deduction under Section 509(a) (2) and is not a "private foundation".

K. Functional Expenses

The Foundation, being a Direct Support Organization ("DSO") for the Florida Agricultural and Mechanical University (the "University"), was established to aid in the advancement of the University's objectives and purposes. Part of the Foundation's commitment to the University is to provide assistance in the various activities or programs of the University.

In accordance with SFAS No. 117, "Financial Statements of Not-for-Profit Organizations", the Foundation reports expenses by functional classification, whereby expenses are categorized by program activities and supporting services. Program activities include direct and indirect costs associated with activities carried out for the fulfillment of the objectives of the Foundation. Supporting services related to costs incurred other than those classified under program activities. Expenses incurred for program activities and supporting services are reported in the statement of activities.

The Foundation has the following functional expense categories:

- University support - charges include expenses incurred for scholarship administration, seminars, and marketing, on behalf of the University.
- Scholarships and grants - charges include payment of tuition, fees, room and board, books and stipends for students in various academic disciplines.
- Fundraising - charges include expenses incurred for travel, events and other operating costs to support fundraising efforts.
- Management and general - charges represent operating expenses including salaries, materials and supplies for programs supported through the Foundation.

L. Use of Estimates

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

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 2. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are a result of pledges and D.C.U. matching funds. Unconditional promises to give are recorded at net realizable value after consideration of any unamortized discounts. The discounts on those amounts are computed using the risk-free interest rates applicable to the years in which the promises are received. The discount rate is five percent (5%) for the years ended June 30, 2010 and 2009. Amortization of discounts is included as contribution revenue.

Unconditional promises to give consist of the following:

	2010	2009
Pledges receivable	\$ 1,568,571	\$ 1,686,644
Less: unamortized discount	78,429	87,099
Subtotal	1,490,142	1,599,545
Less: allowance for uncollectibles	74,507	82,744
Current unconditional promises to give, net	1,415,635	1,516,801
D.C.U. matching funds	573,643	573,643
Less: unamortized discount	28,682	28,682
Subtotal	544,961	544,961
Less: allowance for uncollectibles	27,248	27,248
Long-term unconditional promises to give, net	517,713	517,713
Net unconditional promises to give	\$ 1,933,348	\$ 2,034,514
Amount due in:		
Less than one (1) year	\$ 1,000,000	\$ 900,000
One to five (5) years	1,092,214	1,365,618
More than five (5) years	50,000	-
Total	\$ 2,142,214	\$ 2,265,618

D.C.U. matching funds have been reclassified to long-term unconditional promises to give. Related prior year amounts are shown in the table above. See Note 8 for further discussion.

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 3. INVESTMENTS

The Foundation maintains master investment accounts for primarily all of its investments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated to the individual net asset accounts based on the relationship of the market value of each net asset account to the total market value of the master investment accounts, as adjusted, for additions to or deductions from those accounts.

As of June 30, 2010 and 2009 long-term investments consist of the following:

	2010			2009		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Bonds	\$ 16,328,411	\$ 16,953,461	\$ 625,050	\$ 9,838,720	\$ 10,011,042	\$ 173,079
Trust Managed Funds	82,358,668	78,450,227	(3,908,441)	85,207,524	77,008,141	(8,199,383)
Uninvested Cash	250,276	250,276	-	250,357	250,357	-
Real Estate	500,000	500,000	-	500,000	500,000	-
Total Investments	\$ 99,437,355	\$ 96,153,964	\$ (3,283,391)	\$ 95,796,601	\$ 87,769,540	\$ (8,026,304)

The following schedule summarizes the investment activity for the year ended June 30, 2010 and 2009.

	2010	2009
Investment returns, net of fees		
Interest and dividend income	\$ 2,533,702	\$ 2,749,918
Net realized gain (loss)	2,312,217	(11,554,797)
Change in net unrealized gain	4,742,913	(14,024,904)
Consulting fees	(456,570)	(485,474)
Total investment returns, net	9,132,262	(23,315,257)
Other investment activities		
Cash deposits	-	-
Cash withdrawals	(750,000)	(1,277,133)
	(750,000)	(1,277,133)
Total investment activity	\$ 8,382,262	\$ (24,592,390)

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 4. FAIR VALUES OF FINANCIAL INSTRUMENTS

The estimated fair values of the Foundation's financial instruments, other than investments, at June 30, 2010 and 2009 are as follows:

	2010		2009	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Cash	\$ 764,647	\$ 764,647	\$ 1,284,425	\$ 1,284,425
Unconditional promises to give	\$ 2,131,977	\$ 1,933,348	\$ 2,265,618	\$ 2,044,720

The fair values in the preceding table are included in the statement of financial position under the applicable captions.

NOTE 5. PLANNED GIVING PROGRAM

At June 30, 2010 the Foundation has been named beneficiary of future gifts in the amount of \$505,632. The life insurance premium was paid by the donors with a lump sum onetime payment insuring that the Foundation will receive the gifts at some time in the future.

NOTE 6. RELATED PARTY TRANSACTIONS

Office space, personnel and equipment are provided to the Foundation by the University. The costs of these items are reflected in the statement of activities at their respective fair market values.

NOTE 7. PRIOR PERIOD ADJUSTMENTS

The net assets amount at the beginning of the year for the prior period was adjusted to reflect the proper recording of revenues recorded in prior years and subsequently returned in the current year. The effect of this prior period adjustment was a decrease of unrestricted net assets and temporarily restricted net assets in the amounts of \$151,620 and \$208,607, respectively.

Florida Agricultural and Mechanical University Foundation, Inc.
(A Nonprofit Organization)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010 and 2009

NOTE 8. DIVISION OF COLLEGES AND UNIVERSITIES MATCHING

The Foundation participates in a matching program sponsored by the State of Florida Department of Education's Division of Colleges and Universities (D.C.U.). The D.C.U. contributes 50% to the Foundation based on the donor's contributions of \$100,000 to \$599,999; and on contributions of \$600,000 or more the minimum match is 70%; both to the extent funds are appropriated by the State of Florida's Legislature. The Foundation has been notified by the D.C.U. that the matching fund program has been temporarily suspended until further notice. Matching funds previously awarded will be issued at the time the program is reinstated. In accordance with SFAS 116, the Foundation has recorded unconditional promises to give at their net realizable value for previously awarded matching funds in the amount of \$517,713 as of June 30, 2010 and 2009. The funds have been reclassified to long-term unconditional promises to give based on the above condition.

NOTE 9. CONCENTRATION OF CREDIT RISK

At June 30, 2010 and 2009, the Foundation had accounts in financial institutions with balances of \$514,647 and \$1,035,425 in excess of the Federal Deposit Insurance Corporation's insurance coverage of \$250,000. In addition, the Foundation had balances of \$95,653,964 and \$87,269,540, respectively, at June 30, 2010 and 2009 in excess of the Securities Investor's Protection Corporation ("SIPC") insurance coverage of \$500,000. Invested securities and cash are also covered by the brokerage custodian and its parent company for amounts in excess of the SIPC limit. Management believes no material risk of loss will be sustained from holding these assets with these institutions.

NOTE 10. ASSETS HELD FOR OTHERS

The Foundation holds pooled assets, reported as investments and is considered temporarily restricted net assets on behalf of the FAMU National Alumni Association (the "Alumni"), in the amount of \$1,340,451 and \$1,231,051 as of June 30, 2010 and 2009, respectively. Figures exclude the National Alumni Association Million Dollar Endowment. The Alumni is another Direct Support Organization ("DSO") of the University.

Florida Agricultural and Mechanical University Foundation, Inc.
(A Non-Profit Organization)
STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2010 and 2009

	June 30, 2010					June 30, 2009				
	Program Services		Fundraising	Management &		Program Services		Fundraising	Management &	
	University Support	Scholarships and Grants		General	Total	University Support	Scholarships and Grants		General	Total
Scholarships and grants	\$ -	\$ 1,993,058	\$ -	\$ -	\$ 1,993,058	\$ -	\$ 2,623,182	\$ -	\$ -	\$ 2,623,182
Salaries and fringe benefits	7,677	-	-	1,047,854	1,055,531	25,414	-	-	892,559	917,973
Contract services	349,420	-	-	21,108	370,528	518,107	-	-	30,211	548,318
Reimbursement for grant costs	201,219	-	-	-	201,219	339,812	-	-	-	339,812
Administrative charges	-	-	-	779,457	779,457	-	-	-	826,047	826,047
Equipment purchases	31,413	-	13,463	-	44,876	90,337	-	38,716	71,608	200,660
Travel and meetings	236,036	-	101,158	58,272	395,466	336,029	-	144,013	48,833	528,875
Materials and supplies	242,186	-	103,794	9,133	355,113	292,543	-	125,376	10,507	428,426
Professional fees	326,361	-	139,869	35,761	501,991	347,476	-	148,918	68,133	564,527
Entertainment and dinners	384,852	-	164,937	29,955	579,744	467,965	-	200,556	42,505	711,027
Repairs and maintenance	23,112	-	9,905	150	33,167	35,548	-	15,235	25,483	76,266
Postage	9,334	-	4,000	1,233	14,567	14,408	-	6,175	1,084	21,667
Dues and subscriptions	20,463	-	-	2,745	23,208	41,031	-	-	2,565	43,596
Insurance	12,544	-	-	8,247	20,791	11,232	-	-	8,419	19,651
Equipment rental	13,701	-	-	-	13,701	69,868	-	-	4,663	74,531
Printing and advertising	129,063	-	55,313	8,777	193,153	129,980	-	55,706	16,573	202,258
Telephone	1,640	-	1,640	4,880	8,160	1,290	-	1,290	1,963	4,543
Rent	31,214	-	-	72,412	103,626	32,960	-	-	44,978	77,938
Depreciation	-	-	-	973	973	-	-	-	2,150	2,150
Utilities	6,661	-	-	4,684	11,345	2,497	-	-	3,409	5,906
Training and seminars	8,064	-	3,456	4,180	15,700	12,307	-	5,275	2,513	20,095
Taxes and licenses	12,523	-	5,367	71	17,961	10,407	-	4,460	61	14,928
Bank charges	3,397	-	1,456	17,979	22,832	-	-	-	15,470	15,470
Provision for Uncollectible Pledges	-	-	3,046	-	3,046	-	-	21,569	-	21,569
Presidents Annuity and Allowances	-	-	-	87,000	87,000	-	-	-	87,000	87,000
Contributions	30,638	-	13,130	13,945	57,713	27,552	-	11,808	16,785	56,145
Miscellaneous	52,214	-	22,378	21,563	96,155	18,029	-	7,727	10,611	36,367
Total	\$ 2,133,732	\$ 1,993,058	\$ 642,912	\$ 2,230,379	\$ 7,000,081	\$ 2,824,792	\$ 2,623,182	\$ 786,823	\$ 2,234,129	\$ 8,468,926

Florida A&M University Foundation, Inc.
(A Nonprofit Organization)

MAJOR GIFTS PROGRAM
SCHEDULE 1 - SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES

For the Fiscal Year Ended June 30, 2010

Name of Gift*	Beginning Corpus Balance	Beginning Net Balance 7/1/2009	Corpus Contributed During the 2009-2010	Income and Interest Earnings	Expenditures	Other Expenditures & Transfers	Ending Corpus Balance	Ending Net Balance 6/30/2010
SCCE 1, 4 & 5	\$ 450,000	\$ 725,031	\$ -	\$ 24,750	\$ -	\$ 4,500	\$ 450,000	\$ 745,281
SCCE 2 & 3	300,000	511,729	-	16,500	3,750	3,000	300,000	521,479
SCCE 14	150,000	227,441	-	8,250	-	4,724	150,000	230,967
SCCE 24	150,000	157,557	-	8,250	-	49,500	150,000	116,307
SCCE 25	150,000	176,531	-	8,250	-	1,500	150,000	183,281
SCCE 26	150,000	213,676	-	8,250	1,000	1,500	150,000	219,426
SCCE 27	150,000	253,037	-	8,250	-	1,500	150,000	259,787
SCCE 28	150,000	190,625	-	8,250	2,000	1,500	150,000	195,375
SCCE 33	300,000	313,708	-	16,500	-	93,750	300,000	236,458
SCCE 34	150,000	165,750	-	8,250	-	1,500	150,000	172,500
SCCE 35	150,000	255,486	-	8,250	-	1,500	150,000	262,236
SCCE 38-40	450,000	720,266	-	24,750	6,250	4,500	450,000	734,266
SCCE 41-43	450,000	607,507	-	24,750	4,708	4,500	450,000	623,049
SCCE 44-48	750,000	806,212	-	41,250	20,000	7,500	750,000	819,962
SCCE 49-51	450,000	697,788	-	24,750	-	4,500	450,000	718,038
SCCE 52-53	300,000	421,526	-	16,500	1,039	3,000	300,000	433,987
SCCE 57	1,164,977	1,403,260	-	64,074	-	288,117	1,164,977	1,179,216
SCCE 58	315,898	408,400	-	17,374	4,000	32,650	315,898	389,124
SCCE 61	247,500	376,213	-	13,613	-	2,475	247,500	387,350
SCCE 62	300,000	417,093	-	16,500	12,679	3,000	300,000	417,914
SCCE 64	375,000	456,537	-	20,625	21,500	3,750	375,000	451,912
SCCE 65	150,000	236,249	-	8,250	-	1,500	150,000	242,999
SCCE 66	172,500	271,832	-	9,488	-	1,725	172,500	279,594
SCCE 67	300,000	319,438	-	16,500	17,396	3,000	300,000	315,542
SCCE 68	210,000	297,828	-	11,550	-	2,100	210,000	307,278
SCCE 69	172,500	189,088	-	9,488	-	61,725	172,500	136,850
SCCE 70	360,283	457,408	-	19,816	1,000	49,325	360,283	426,898
SCCE 71	300,000	451,858	-	16,500	5,003	3,000	300,000	460,355
SCCE 72	217,500	305,365	-	11,963	9,500	2,175	217,500	305,653
SCCE 74	574,380	782,923	-	31,591	7,000	5,744	574,380	801,770
SCCE 75	396,000	530,863	-	21,780	15,477	3,960	396,000	533,206
SCCE 77	1,190,000	1,263,473	-	65,450	-	386,794	1,190,000	942,129
SCCE 79	1,219,451	1,440,378	-	67,070	45,093	12,195	1,219,451	1,450,161
SCCE 80	150,000	172,833	-	8,250	-	1,500	150,000	179,583
SCCE 85	229,082	282,233	-	12,600	4,500	2,291	229,082	288,042
Balances Forward	12,695,071	16,507,140	-	698,229	181,895	1,055,499	12,695,071	15,967,974

Name of Gift*	Beginning Corpus Balance	Beginning Net Balance 7/1/2009	Corpus Contributed During the 2009-2010	Income and Interest Earnings	Expenditures	Other Expenditures & Transfers	Ending Corpus Balance	Ending Net Balance 6/30/2010
Balances Forward	\$ 12,695,071	\$ 16,507,140	\$ -	\$ 698,229	\$ 181,895	\$ 1,055,499	\$ 12,695,071	\$ 15,967,974
SCCE 86	750,000	885,000	-	41,250	-	7,500	750,000	918,750
SCCE 87	225,000	291,500	-	12,375	1,000	2,250	225,000	300,625
FAMU Endowment #1	411,200	481,832	-	22,616	1,000	4,112	411,200	499,336
FAMU Endowment #2	402,000	405,752	-	22,110	-	78,658	402,000	349,204
FAMU Endowment #3	320,997	369,613	-	17,655	9,037	3,210	320,997	375,021
FAMU Endowment #4	351,023	414,049	-	19,306	-	3,510	351,023	429,845
FAMU Endowment #5	187,500	227,192	-	10,313	-	1,875	187,500	235,630
Walt Disney World Family Law	225,000	254,281	-	12,375	-	2,250	225,000	264,406
FAMU Endowment #6	343,812	372,906	-	18,910	-	3,438	343,812	388,378
FAMU Endowment #7	358,433	371,086	-	19,714	2,003	46,628	358,433	342,169
Moot Court & Law Review Endt	1,275,000	1,389,109	-	70,125	51,662	12,750	1,275,000	1,394,822
FAMU Endowment #8	184,881	204,524	-	10,168	-	1,849	184,881	212,844
FAMU Endowment #9	183,393	201,877	-	10,087	-	1,834	183,393	210,130
FAMU Endowment #10	183,917	203,459	-	10,115	-	1,839	183,917	211,735
National Alumni Association Endowed Schp	150,000	163,500	-	8,250	-	1,500	150,000	170,250
Walt Disney World Family Law	100,000	104,500	-	-	-	-	100,000	104,500
FAMU Endowment #11	640,919	668,760	-	-	1,000	-	640,919	667,760
Scholarship Endowment I	150,000	271,891	-	8,250	-	1,500	150,000	278,641
Scholarship Endowment 2 & 3	-	-	-	-	-	-	-	-
Scholarship Endowment 4 & 5	300,000	495,166	-	16,500	3,615	3,000	300,000	505,051
Scholarship Endowment 6 & 7	300,000	400,467	-	16,500	-	135,937	300,000	281,030
Corporate Banquet	150,000	202,125	-	8,250	-	1,500	150,000	208,875
Honeywell, Inc. Endowment	150,000	157,375	-	8,250	-	54,500	150,000	111,125
Bill & Camille Cosby Endowment	300,000	446,989	-	16,500	9,500	3,000	300,000	450,989
Faculty & Staff Endowment	300,000	404,250	-	16,500	-	3,000	300,000	417,750
Journalism	450,000	499,874	-	24,750	56,250	4,500	450,000	463,874
Centennial I, II, III	450,000	470,641	-	24,750	34,000	110,500	450,000	350,891
SBI Endowments (Various)	13,582,256	18,985,321	-	747,024	600,000	135,823	13,582,256	18,996,522
TOTAL	\$ 35,120,402	\$ 45,850,180	\$ -	\$ 1,890,872	\$ 950,962	\$ 1,681,962	\$ 35,120,402	\$ 45,108,127

* SCCE - Second Century Campaign Endowment.

Florida A&M University Foundation, Inc.

EMINENT SCHOLARS CHAIRS
SCHEDULE OF RECEIPTS, EXPENDITURES AND ENDOWMENT BALANCES

For the Fiscal Year Ended June 30, 2010

Name of Eminent Scholars Chair	Beginning Corpus Balance	Beginning Net Balance 07/01/2009	Corpus Contributed During the FY 2009-2010	Income and Interest Earnings	Expenditures	Other Expenditures & Transfers	Ending Corpus Balance	Ending Net Balance 06/30/2010
Warner Lambert Chair	\$ 1,000,000	\$ 1,455,076	\$ -	\$ 55,000	\$ -	\$ 10,000	\$ 1,000,000	\$ 1,500,076
Centennial Business Chair	1,000,000	1,232,699	-	55,000	-	10,000	1,000,000	1,277,699
Anheuser Busch Chair	1,000,000	1,218,891	-	55,000	-	10,000	1,000,000	1,263,891
Knight-Ridder Chair	1,762,440	1,987,830	-	96,934	113,247	17,624	1,762,440	1,953,893
Garth Reeves Chair	1,000,000	1,255,102	-	55,000	50,606	10,000	1,000,000	1,249,496
Foster-Edmond Chair	1,020,000	1,471,292	-	56,100	-	10,200	1,020,000	1,517,192
SBI Financial Services Chair	1,020,000	1,344,483	-	56,100	-	10,200	1,020,000	1,390,383
Carrie Meek Chair	1,020,000	1,594,337	-	56,100	-	10,200	1,020,000	1,640,237
Shirley A. Cunningham Jr. Endowed Chair	1,750,001	2,190,938	-	96,250	-	17,500	1,750,001	2,269,688
Sybil C. Mobley Endowed Chair	2,523,798	2,917,440	-	138,809	-	25,238	2,523,798	3,031,011
TOTAL CHAIRS	\$ 13,096,239	\$ 16,668,088	\$ -	\$ 720,293	\$ 163,853	\$ 130,962	\$ 13,096,239	\$ 17,093,566



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Florida Agricultural and Mechanical University Foundation, Inc.,

We have audited the financial statements of Florida Agricultural and Mechanical University Foundation, Inc. (the "Foundation") as of and for the year ended June 30, 2010, and have issued our report thereon dated August 16, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting 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 Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Foundation in a separate letter dated August 16, 2010.

This report is intended solely for the information and use of management, the Audit Committee, Board of Directors, the Board of Trustees of Florida Agricultural and Mechanical University, and State of Florida, Auditor General, and is not intended to be and should not be used by anyone other than those specified parties.

Tallahassee, Florida
August 16, 2010

TCBA Water Rice LLP