

**The Keystone Symposia on  
Molecular and Cellular Biology**

**June 30, 2011 and 2010**

**THE KEYSTONE SYMPOSIA ON MOLECULAR  
AND CELLULAR BIOLOGY**

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RubinBrown LLP  
Certified Public Accountants  
& Business Consultants

44 Inverness Drive East  
Englewood, CO 80112

T 303.799.6826  
F 303.799.6926

W [rubinbrown.com](http://rubinbrown.com)  
E [info@rubinbrown.com](mailto:info@rubinbrown.com)

**Board of Directors  
The Keystone Symposia on  
Molecular and Cellular Biology  
Silverthorne, Colorado**

### **Independent Auditors' Report**

We have audited the accompanying statement of financial position of The Keystone Symposia on Molecular and Cellular Biology (Symposia) as of June 30, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Symposia's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements as of June 30, 2010, were audited by Bondi & Co. LLC, who merged with RubinBrown LLP as of June 1, 2011, and whose report dated October 19, 2010, expressed an unqualified opinion on those statements.

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. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Symposia's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Symposia as of June 30, 2011, 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.

In accordance with *Government Auditing Standards*, we have also issued our

**Board of Directors  
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report dated December 12, 2011 on our consideration of the Symposia's internal control over financial reporting and on 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 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 basic financial statements taken as a whole. The information on page 15 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The 2011 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The 2010 information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

*RubinBrown LLP*

December 12, 2011

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

STATEMENT OF FINANCIAL POSITION

As of June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
<b>CURRENT ASSETS:</b>		
Cash and Cash Equivalents	\$ 622,247	\$ 854,071
Investments	8,124,928	6,526,934
Receivables:		
Grants and Contributions	1,569,827	1,961,757
Commissions and Other	2,366	73,615
Prepaid Expenses	267,974	221,196
Cash Held for Others	<u>13,925</u>	<u>4,675</u>
Total Current Assets	<u>10,601,267</u>	<u>9,642,248</u>
<b>NON-CURRENT ASSETS:</b>		
Property and Equipment:		
Furniture and Equipment	277,922	205,438
Leasehold Improvements	41,298	58,511
Computer Equipment and Software	<u>200,093</u>	<u>257,621</u>
Total Property and Equipment	519,313	521,570
Less Accumulated Depreciation	<u>(294,070)</u>	<u>(345,932)</u>
Property and Equipment - Net	225,243	175,638
Other Assets	68,383	69,507
Long-term Contributions Receivable	148,015	1,071,029
Cash and Cash Equivalents - Temporarily Restricted	645,722	469,735
Investments-Temporarily Restricted	<u>150,645</u>	<u>150,645</u>
Total Non-Current Assets	<u>1,087,363</u>	<u>1,936,554</u>
<b>TOTAL ASSETS</b>	<u><b>11,688,630</b></u>	<u><b>11,578,802</b></u>
<u>LIABILITIES AND NET ASSETS</u>		
<b>CURRENT LIABILITIES:</b>		
Accounts Payable	489,151	590,237
Accrued Liabilities	313,692	290,636
Capital Lease Current	19,790	18,078
Deferred Income	36,535	98,765
Other Liabilities	<u>13,925</u>	<u>4,675</u>
Total Current Liabilities	<u>873,093</u>	<u>1,002,391</u>
Long-term-Deferred Compensation	33,246	50,264
Capital Lease - Long-Term	<u>93,074</u>	<u>29,753</u>
Total Long-Term Liabilities	<u>126,320</u>	<u>80,017</u>
<b>TOTAL LIABILITIES</b>	<u><b>999,413</b></u>	<u><b>1,082,408</b></u>
<b>NET ASSETS:</b>		
Unrestricted	8,551,376	7,282,774
Temporarily Restricted	<u>2,137,841</u>	<u>3,213,620</u>
Total Net Assets	<u>10,689,217</u>	<u>10,496,394</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$11,688,630</b></u>	<u><b>\$11,578,802</b></u>

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

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

STATEMENT OF ACTIVITIES

For the Years Ended June 30, 2011 and 2010

	2011			2010		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>REVENUES</b>						
Program Revenues:						
Registration Fees	\$ 9,702,205	\$	\$ 9,702,205	\$ 8,266,067	\$	\$ 8,266,067
Corporate and Foundation Contributions	1,735,047	618,308	2,353,355	2,427,647	2,974,301	5,401,948
Government Grants - Federal	830,881		830,881	597,663		597,663
Government Grants - Other	120,057		120,057	207,803		207,803
Other Support	9,061		9,061	7,123		7,123
Other Program Revenues	40,573	13,236	53,809	29,187		29,187
Released from Restrictions	1,707,323	(1,707,323)		1,050,373	(1,050,373)	
Nonprogram Revenues:						
Housing Commissions and Other	637,752		637,752	531,444		531,444
Interest and Dividend Income	223,896		223,896	262,086		262,086
Net Exchange Gains (Losses)	11,041		11,041	(9,360)		(9,360)
Net Realized and Unrealized Gains on Investments	991,561		991,561	678,072		678,072
Total Revenues	16,009,397	(1,075,779)	14,933,618	14,048,105	1,923,928	15,972,033
<b>EXPENSES</b>						
Program Expenses	12,448,925		12,448,925	11,186,495		11,186,495
Management and General Expenses	1,791,886		1,791,886	1,683,252		1,683,252
Fundraising Expenses	499,984		499,984	515,512		515,512
Total Expenses	14,740,795		14,740,795	13,385,259		13,385,259
CHANGE IN NET ASSETS	1,268,602	(1,075,779)	192,823	662,846	1,923,928	2,586,774
NET ASSETS - Beginning of Year	7,282,774	3,213,620	10,496,394	6,619,928	1,289,692	7,909,620
NET ASSETS - End of Year	\$ 8,551,376	\$ 2,137,841	\$ 10,689,217	\$ 7,282,774	\$ 3,213,620	\$ 10,496,394

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

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

STATEMENT OF CASH FLOWS  
For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 192,823	\$ 2,586,774
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	56,050	56,838
Net Realized and Unrealized Gain on Investments	(991,561)	(678,072)
Net Realized Loss on Sale or Disposal of Equipment	11,230	1,295
Changes in Operating Assets and Liabilities:		
Receivables - Grants and Sponsorships	391,930	(923,634)
Receivables - Commissions and Other	71,249	44,921
Other Assets	1,124	5,401
Prepaid Expenses	(46,778)	145,079
Long-Term Contributions Receivable	923,014	(919,710)
Accounts Payable	(101,086)	202,273
Accrued Liabilities	23,056	65,330
Deferred Compensation	(17,018)	(5,401)
Deferred Income	(62,230)	25,260
Capital Lease	65,033	
Other Liabilities	9,250	(9,350)
Net Cash Provided by Operating Activities	<u>526,086</u>	<u>597,004</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Equipment	(41,298)	(73,181)
Purchase of Investments	(4,348,774)	(4,249,560)
Proceeds from Sales of Investments	3,892,986	4,900,004
Purchase of Lease Assets	(116,005)	
Capital Lease Debt Reduction from Disposed Assets	35,718	
Proceeds from Disposal of Equipment	4,700	
Net Cash Provided by (Used in) Investing Activities	<u>(572,673)</u>	<u>577,263</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(46,587)</u>	<u>1,174,267</u>
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<u>1,328,481</u>	<u>154,214</u>
<b>CASH AND CASH EQUIVALENTS - End of Year</b>	<u>\$ 1,281,894</u>	<u>\$ 1,328,481</u>
<b>SUPPLEMENTAL INFORMATION FOR NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Contributed Services Revenue	\$ 857,244	\$ 869,427
Contributed Services Expense	(857,244)	(869,427)
	<u>\$</u>	<u>\$</u>

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

# THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

## NOTES TO FINANCIAL STATEMENTS

June 30, 2011 and 2010

### NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Organization* - The Keystone Symposia on Molecular and Cellular Biology (the "Symposia") is a nonprofit science and educational organization. The Symposia sponsors an annual series of conferences for the scientific community, which are international in scope and focus on new and emerging areas of molecular and cellular biology as they apply to basic biology, human medicine, and agriculture. The Symposia obtains the majority of its revenues from registration fees paid by conference participants, corporate contributions, charitable foundations and federal grants.

*Basis of Accounting* - The financial statements are prepared on the accrual basis of accounting.

*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 the reported amounts of 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 Symposia considers all money market mutual funds and all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Cash contributions from various corporations, foundations and government agencies comprise temporarily restricted cash of \$645,722 and \$469,735 for the years ended June 30, 2011 and 2010, respectively. Beginning in 2005, the Symposia began collecting registration fees on behalf of a third party through its online website. As of June 30, 2011 and 2010, cash held for others of \$13,925 and \$4,675, respectively, represents third-party funds that were subsequently remitted in the following fiscal year. An other liability was recorded in the statements of financial position for this amount.

*Investments* - Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the statements of financial position. Cash contributions from various corporations, foundations and government agencies comprise

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*Investments (Continued)* - temporarily restricted investments of \$0 and \$150,645 for the years ended June 30, 2011 and 2010, respectively. Realized and unrealized gains and losses are included in the statements of activities and classified as unrestricted unless restricted by donor or applicable law.

The Symposia invests in various securities including U.S. government securities, corporate debt instruments, and corporate stocks. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

*Fair Value* - Different assumptions and/or estimation methods may have a material effect on the estimated fair value amounts. Judgment is required to develop estimates of fair value. Accordingly, the estimates are not necessarily indicative of the amounts the Symposia could have realized in a current market exchange.

The following methods and assumptions were used by the Symposia in estimating the fair value of its financial instruments:

*Cash and Cash Equivalents* - The carrying amount reported in the statements of financial position is fair value.

*Investments* - The carrying amount reported in the statements of financial position is fair value, based on quoted market prices.

*Concentrations of Credit Risk* - The Symposia's credit risk is primarily concentrated in sponsorship receivables from pharmaceutical companies and in cash balances in excess of FDIC insured limits with a financial institution. In the opinion of management, the concentrations do not result in increased risks due to their nature.

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*Property and Equipment* - Property and equipment are stated at cost. It is the Keystone Symposia policy to capitalize any acquisition of an individual asset and/or class of assets that has a useful life of more than one year and a cost of \$1,500 or more. Depreciation is provided using the straight-line method over the estimated useful life of the assets which range from three to fifteen years. Depreciation expense was \$56,050 and \$56,838 for the years ended June 30, 2011 and 2010, respectively.

*Registration Fees* - Revenue from registration fees is recognized when the corresponding meeting has taken place. Any funds collected prior to that time are classified as deferred income. The Symposia recorded deferred income of \$36,535 and \$98,765 as of June 30, 2011 and 2010, respectively.

*Contributions* - Contributions and unconditional promises to give cash and other assets are reported at fair value as of the date received. Contributions that are due more than one year from the balance sheet date are classified as long-term.

Long-term receivables are \$148,015 and \$1,071,029 for the years ended June 30, 2011 and 2010, respectively. None of these receivables have maturity periods in excess of five years. Long-term receivables are discounted based on the rate on risk-free monetary assets that have maturity dates or durations that coincide with the period covered by the cash flows. The Symposia utilized a 3.18% discount. Total amount of the discounts are \$26,985 and \$53,971 for the years ended June 30, 2011 and 2010, respectively.

The contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets or if they are restricted as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Included in corporate and foundation contributions are contributions in kind of \$840,450 and \$855,848 for the years ended June 30, 2011 and 2010, respectively. This type of contribution is recorded for speakers who have their company pay expenses to attend a conference so the Symposia does not have to provide the funding and for advertisement.

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*Government Grants* - Revenues from awards and contracts, considered to be exchange transactions, are recognized when expenses under the award or contract are incurred.

*Temporarily Restricted Net Assets* - Temporarily restricted net assets are available for future conference expenses. During the years ended June 30, 2011 and 2010, \$1,707,323 and \$1,050,373, respectively, of net assets were released from donor restrictions by satisfying the restricted purposes.

*Other Program Revenue* - Contributions from individuals are reported at fair value as of the date received. Included in other program revenue are contributions in kind of \$16,795 and \$13,579 for the years ended June 30, 2011 and 2010, respectively.

NOTE 2: CASH AND CASH EQUIVALENTS

The Symposia maintains cash accounts in commercial banks. These accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC). On August 10, 2010, as part of the Dodd-Frank Act, Congress permanently increased FDIC insurance from \$100,000 to \$250,000 per depositor. The following is a summary of the total uninsured bank deposits at June 30, 2011 and 2010.

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THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

Bank Balances:

	<u>2011</u>	<u>2010</u>
Total Deposits	\$ 1,655,330	\$ 1,665,634
Less: Portion Insured by FDIC	<u>(252,204)</u>	<u>(501,844)</u>
Balance of Bank Deposits - Uninsured	<u>\$ 1,403,126</u>	<u>\$ 1,163,790</u>

Summary of Cash and Cash Equivalents:

Book Balances:

	<u>2011</u>	<u>2010</u>
Cash on Hand	\$ 200	\$ 180
Deposit Accounts	149,104	251,844
Cash Held in Trust Accounts	<u>1,132,590</u>	<u>1,076,457</u>
Total Cash and Cash Equivalents	<u>\$ 1,281,894</u>	<u>\$ 1,328,481</u>

NOTE 3: INVESTMENTS

Investments are recorded at fair value and consist of the following at June 30, 2011 and 2010:

	<u>2011</u>	<u>Fair Value Measurements at 6/30/2011 Using: Quoted Prices in Active Markets for Identical Assets (Level 1)</u>
Corporate Stocks	\$ 4,659,017	\$ 4,659,017
Government and Agency Obligations	1,785,892	1,785,892
Corporate Obligations	<u>1,680,019</u>	<u>1,680,019</u>
Total	<u>\$ 8,124,928</u>	<u>\$ 8,124,928</u>

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 3: INVESTMENTS (Continued)

	2010	Fair Value Measurements at 6/30/2010 Using: Quoted Prices in Active Markets for Identical Assets (Level 1)
Corporate Stocks	\$ 3,505,071	\$ 3,505,071
Government and Agency Obligations	1,592,505	1,592,505
Corporate Obligations	1,580,003	1,580,003
Total	<u>\$ 6,677,579</u>	<u>\$ 6,677,579</u>

NOTE 4: RECEIVABLES

Contributions receivable are due from various corporations, foundations and government agencies and are comprised of temporarily restricted contributions of \$1,506,103 and \$2,587,532 for the years ended June 30, 2011 and 2010, respectively. Based on history, the risk of bad debt is minimal; therefore, an allowance for bad debt relating to these receivables is not considered necessary by management.

Contributions expected to be collected in future years are recorded at the present value of their estimated cash flows.

	2011	2010
Contributions Due:		
In Less Than One Year	\$ 1,569,827	\$ 1,961,757
In One to Five Years	175,000	1,125,000
Unamortized Discount	(26,985)	(53,971)
Total	<u>\$ 1,717,842</u>	<u>\$ 3,032,786</u>

Fair values for assets measured on a nonrecurring basis use future cash flows discounted for present value and adjusted for estimated uncollectible amounts. Because this technique is based on the Symposia's assumptions and estimates, the value is considered to be based on level 3 inputs.

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 4: RECEIVABLES (Continued)

Fair values of the following at June 30, 2011 and 2010 are measured on a non-recurring basis:

	<u>Fair Value</u>	<u>Significant Unobservable Inputs (Level 3)</u>
2011:		
Unconditional Promises to Give	<u>\$ 1,717,842</u>	<u>\$ 1,717,842</u>
Total	<u>\$ 1,717,842</u>	<u>\$ 1,717,842</u>
2010:		
Unconditional Promises to Give	<u>\$ 3,032,786</u>	<u>\$ 3,032,786</u>
Total	<u>\$ 3,032,786</u>	<u>\$ 3,032,786</u>

There were no changes in the valuation techniques during the year.

NOTE 5: INCOME TAXES

The Symposia is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, but is subject to federal and state income tax on unrelated business income. During the years ended June 30, 2011 and 2010, the Symposia had no taxable unrelated business income. Tax years that remain subject to examination are 2007 and forward.

NOTE 6: BENEFIT PLANS

The Symposia sponsors a Simplified Employee Retirement Plan (401(k) Plan), which is available to all full-time employees after three months of service, organized under Section 401(k) of the Internal Revenue Code. Under the terms of the 401(k) Plan, the Symposia contributes 2 to 1, up to a maximum of 5%, of each employee's compensation to the 401(k) Plan. The Symposia incurred contribution expense of \$89,743 and \$86,127 during the years ended June 30, 2011 and 2010, respectively.

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 6: BENEFIT PLANS (Continued)

Effective June 1, 2003, the Symposia established a Deferred Compensation Plan (Plan) under Section 457 of the Internal Revenue Code for select members of management. Under the terms of the Plan, participants may defer compensation within the limits established by the Internal Revenue Code.

The fair value of the Symposia's liability under the Plan is determined by certain investment options as selected by the participants. As of June 30, 2011 and 2010, \$33,246 and \$50,264, respectively, has been recorded as a long-term deferred compensation liability in the accompanying statement of financial position.

NOTE 7: LEASE COMMITMENT

The Symposia leases office space and office equipment under operating leases. The office space lease expires December 31, 2020, with an option to renew for one period of five years. Future minimum rental payments required under the leases are as follows:

<u>Year Ending June 30,</u>	
2012	\$ 195,820
2013	195,920
2014	198,757
5 yrs and thereafter	<u>1,444,630</u>
Total	<u>\$ 2,035,127</u>

Rent expense under operating leases was \$173,385 and \$177,500 for the years ended June 30, 2011 and 2010, respectively.

NOTE 8: CAPITAL LEASE COMMITMENT

The Symposia acquired three photocopiers under a capital leasing arrangement. The term of the copier lease is from April 19, 2011 through April 19, 2016. Amortization expense paid for the year ended June 30, 2011 was \$1,599. The recorded cost of the equipment is \$116,005 with \$3,866 in accumulated depreciation at June 30, 2011.

THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

NOTES TO FINANCIAL STATEMENTS (Continued)

June 30, 2011 and 2010

NOTE 8: CAPITAL LEASE COMMITMENT (Continued)

Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>		
2012	\$	28,445
2013		28,445
2014		28,445
5 yrs and thereafter		<u>56,891</u>
Total		142,226
Less: Interest		<u>(29,362)</u>
Present Value of Capital Lease Obligation	\$	<u>112,864</u>

NOTE 9: LINE OF CREDIT

The Symposia has a line of credit with Wells Fargo Bank with a limit of \$250,000. The line accrues interest at the Prime Rate plus 0.25%, subject to a floor of 5.00%. It is secured by investments. The line of credit is subject to an annual renewal which expires on September 23, 2011. No amounts were drawn against the line of credit at June 30, 2011.

NOTE 10: LETTER OF CREDIT

The Symposia established an Irrevocable Letter of Credit in the amount of \$250,000 in favor of First Bank as a guaranty against tenant improvement. The commission fee is 2.0% per year, or a minimum of \$450. The letter of credit will expire on December 31, 2020. The amount of the letter of credit will begin to reduce in value beginning December 31, 2014 until the final expiration date.

NOTE 11: SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date of the independent auditors' report, which was the date the financial statements were available to be issued.

***SUPPLEMENTAL SCHEDULE***

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THE KEYSTONE SYMPOSIA ON MOLECULAR AND CELLULAR BIOLOGY

SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES

As of June 30, 2011 and 2010

	2011				2010			
	Program	Management and General	Fund-Raising	Total	Program	Management and General	Fund-Raising	Total
Speaker Subsidy	\$ 3,364,093			\$ 3,364,093	\$ 3,093,928			\$ 3,093,928
Food and Beverage	3,963,490			3,963,490	3,258,081			3,258,081
Payroll	1,006,837	800,765	302,102	2,109,704	927,910	746,567	293,218	1,967,695
Printing	102,365		2,895	105,260	90,570		5,166	95,736
Student Stipends	729,899			729,899	672,614			672,614
URM Stipends	77,246			77,246	52,541			52,541
Travel Awards —								
Affected Nations	647,881			647,881	688,492			688,492
Travel Subsidy-Fellows Program	17,705			17,705	8,852			8,852
Postage	26,043	4,422	1,406	31,871	24,606	3,763	6,902	35,271
Marketing	1,072,926			1,072,926	996,235			996,235
Credit Card Merchant Fees	243,119			243,119	262,517			262,517
Audio Visual Expenses	251,712			251,712	220,888			220,888
Office Rental		173,385	19,166	192,551		146,955	18,076	165,031
Fringe Benefits	191,719	140,611	77,855	410,185	149,688	120,912	66,224	336,824
Telephone		12,170	1,826	13,996		12,220	1,814	14,034
Payroll Taxes	87,221	57,844	24,484	169,549	10,631	113,855	21,818	146,304
Board of Directors Expenses	115,606			115,606	106,095			106,095
Professional Fees	7,958	192,713		200,671		185,842	6,825	192,667
Recruitment Expense		21,731		21,731		662	12,903	13,565
Maintenance and Repairs		21,626		21,626		21,423		21,423
Staff Travel, Meals, and Lodging	172,239	12,519	25,583	210,341	155,425	43,277	54,663	253,365
Office Supplies	2,476	71,846	3,940	78,262	540	16,705	3,921	21,166
Insurance		20,667	2,386	23,053		22,448	2,643	25,091
Internet Services		17,541	2,338	19,879		18,879	2,240	21,119
Depreciation		56,050		56,050		56,838		56,838
Loss on Disposal of Equipment		11,230		11,230		1,295		1,295
Conference Transportation Expense	23,025			23,025	47,118			47,118
Equipment Rental		7,782		7,782		9,007		9,007
Other Expenses	30,553	22,866	16,254	69,473	83,821	23,116	8,827	115,764
Workshops and Other Misc. Functions			11,812	11,812			7,869	7,869
Meeting Room Charges	67,386			67,386	132,639			132,639
Poster Boards	48,582			48,582	42,054			42,054
Email Stations	48,360			48,360	37,006			37,006
Entertainment	722			722	917			917
Banquet								
Entertainment	26,583			26,583	21,845			21,845
Teleconferences	868			868	3,689			3,689
Travel Subsidy-Conference Assistants	121,771			121,771	96,623			96,623
Computer Supplies		22,383		22,383		11,046		11,046
Dues and Subscriptions	540	8,714	4,605	13,859	620	10,575	925	12,120
Custodial Services		15,480		15,480		19,480		19,480
Staff Training and Functions		6,310	3,332	9,642		4,598	1,478	6,076
Bank Charges		28,193		28,193		11,398		11,398
Other Taxes		7,850		7,850		7,961		7,961
Bad Debts		45,874		45,874		63,830		63,830
Continuing Medical Education Fees					550			550
Staff Functions and Retreats		11,514		11,514		10,600		10,600
<b>Total</b>	<b>\$ 12,448,925</b>	<b>\$ 1,791,886</b>	<b>\$ 499,984</b>	<b>\$ 14,740,795</b>	<b>\$ 11,186,495</b>	<b>\$ 1,683,252</b>	<b>\$ 516,512</b>	<b>\$ 13,385,259</b>

See the accompanying independent auditor's report