

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA**

**FINANCIAL STATEMENTS**

**YEARS ENDED SEPTEMBER 30, 2008 AND 2007**

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
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## **ACCOUNTANTS' REVIEW REPORT**

Executive and Finance Committees  
The American Legion, Department of Minnesota  
St. Paul, Minnesota

We have reviewed the accompanying balance sheet of The American Legion, Department of Minnesota as of September 30, 2008, and the related statements of activity and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Organization.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying September 30, 2008 financial statements in order for them to be in conformity with generally accepted accounting principles.

The financial statements for the year ended September 30, 2007 were audited by us, and we expressed an unqualified opinion on them in our report dated January 25, 2008, but we have not performed any auditing procedures since that date.

Minneapolis, Minnesota  
November 20, 2008

**LarsonAllen LLP**

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
BALANCE SHEETS  
SEPTEMBER 30, 2008 AND 2007**

	2008 (Reviewed)	2007 (Audited)
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 479,955	\$ 314,802
Accounts Receivable	671	6,712
Accrued Interest Receivable	6,324	8,888
Inventories	4,689	6,323
Prepaid Expenses	44,139	34,580
Total Current Assets	535,778	371,305
<b>EQUIPMENT AND FURNITURE, Net</b>	134,450	47,969
<b>INVESTMENTS</b>		
Investments	1,141,920	1,380,287
Investment in Unconsolidated Subsidiaries	1,000	1,000
Total Investments	1,142,920	1,381,287
 Total Assets	 \$ 1,813,148	 \$ 1,800,561
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 8,974	\$ 34,342
Accrued Vacation	53,849	49,214
Deferred Revenue	513,098	536,469
Amount Held for Others	19,106	17,873
Total Current Liabilities	595,027	637,898
<b>NET ASSETS</b>		
Unrestricted:		
Undesignated	875,112	729,488
Designated	343,009	433,175
Total Net Assets	1,218,121	1,162,663
 Total Liabilities and Net Assets	 \$ 1,813,148	 \$ 1,800,561

See accompanying Notes to Financial Statements.

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
STATEMENTS OF ACTIVITIES  
YEARS ENDED SEPTEMBER 30, 2008 AND 2007**

	2008 (Reviewed)		
	Unrestricted		Total
	Undesignated	Designated	
<b>SUPPORT - CONTRIBUTIONS</b>	\$ 647	\$ -	\$ 647
<b>REVENUE</b>			
Membership Dues	1,027,746	-	1,027,746
Less: MN Legionnaire Portion	(256,865)	-	(256,865)
Revenue Enhancement Sales	373,253	-	373,253
Grants	96,600	-	96,600
Registration and Fees	-	61,260	61,260
Post Program Payments	-	63,654	63,654
Investment Income (Losses)	(94,563)	(2,141)	(96,704)
Royalties	259,809	-	259,809
In-Kind Rent	52,474	-	52,474
Loss on Sale of Assets	(138)	-	(138)
Other	46,111	5,351	51,462
Total Revenue	<u>1,504,427</u>	<u>128,124</u>	<u>1,632,551</u>
Total Support and Revenue	1,505,074	128,124	1,633,198
<b>EXPENSES</b>			
Program Expense	694,670	218,290	912,960
Supporting Services:			
Member Development	160,791	-	160,791
General and Administrative	252,027	-	252,027
Total Supporting Services	<u>412,818</u>	<u>-</u>	<u>412,818</u>
Fundraising - Cost of Enhancement Sales	<u>251,962</u>	<u>-</u>	<u>251,962</u>
Total Expenses	<u>1,359,450</u>	<u>218,290</u>	<u>1,577,740</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	145,624	(90,166)	55,458
Net Assets Unrestricted - Beginning of Year	<u>729,488</u>	<u>433,175</u>	<u>1,162,663</u>
<b>NET ASSETS UNRESTRICTED - END OF YEAR</b>	<u>\$ 875,112</u>	<u>\$ 343,009</u>	<u>\$ 1,218,121</u>

See accompanying Notes to Financial Statements.

2007 (Audited)

Unrestricted		
Undesignated	Designated	Total
\$ 206	\$ -	\$ 206
783,864	-	783,864
(240,320)	-	(240,320)
564,517	-	564,517
96,600	-	96,600
-	61,991	61,991
-	126,822	126,822
115,197	23,459	138,656
116,833	-	116,833
52,474	-	52,474
-	-	-
<u>56,926</u>	<u>21,790</u>	<u>78,716</u>
<u>1,546,091</u>	<u>234,062</u>	<u>1,780,153</u>
1,546,297	234,062	1,780,359
584,463	416,740	1,001,203
139,788	-	139,788
248,254	-	248,254
<u>388,042</u>	<u>-</u>	<u>388,042</u>
<u>421,664</u>	<u>-</u>	<u>421,664</u>
<u>1,394,169</u>	<u>416,740</u>	<u>1,810,909</u>
152,128	(182,678)	(30,550)
<u>577,360</u>	<u>615,853</u>	<u>1,193,213</u>
<u>\$ 729,488</u>	<u>\$ 433,175</u>	<u>\$ 1,162,663</u>

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
STATEMENTS OF CASH FLOWS  
YEARS ENDED SEPTEMBER 30, 2008 AND 2007**

	2008 (Reviewed)	2007 (Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 55,458	\$ (30,550)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	23,633	15,159
Unrealized Loss (Gain) on Investments	156,917	(65,453)
Realized Gain from Sale of Investments	(9,950)	(24,318)
Loss on Disposal of Assets	138	-
(Increase) Decrease in Current Assets:		
Receivables and Prepaid Expenses	(954)	499
Inventories	1,634	(4,375)
Increase (Decrease) in Current Liabilities:		
Payables and Accrued Expenses	(20,733)	20,950
Deferred Revenue	(23,371)	154,091
Amount Held for Others	1,233	4,310
Net Cash Provided by Operating Activities	184,005	70,313
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Equipment and Furniture	(110,252)	(18,303)
Proceeds from Sale of Investments	736,154	226,095
Purchase of Investments	(644,754)	(254,268)
Net Cash Used by Investing Activities	(18,852)	(46,476)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	165,153	23,837
Cash and Cash Equivalents - Beginning of Year	314,802	290,965
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 479,955	\$ 314,802

See accompanying Notes to Financial Statements.

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 (REVIEWED) AND 2007 (AUDITED)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organizational Purpose**

The American Legion, Department of Minnesota was organized to support American Legion members and their programs in Minnesota.

**Financial Statement Presentation**

The Organization follows the Statement of Financial Accounting Standards (SFAS) 116, *Accounting for Contributions Received and Contributions Made*, SFAS 117, *Financial Statements for Not-for-Profit Organizations*, and SFAS 124 (Note 2), *Accounting for Certain Investments*.

Under the provisions of these standards, net assets and revenues, gains and losses are classified based on donor imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted - Resources over which the board of directors has discretionary control. Designated amounts represent those net assets which the Board has set aside for a particular program.

Temporarily Restricted - Those resources subject to donor imposed restrictions which will be satisfied by actions of the Organization or by the passage of time.

Permanently Restricted - Resources subject to donor-imposed restrictions that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

The Organization has no temporarily restricted or permanently restricted net assets at this time.

**Estimates**

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

**Concentrations of Credit Risk from Cash Deposits in Excess of Insured Limits**

The Organization maintains its cash reserves and cash balances in one financial institution. At times, the amounts on deposit may exceed federally insured limits.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with original maturities of three months or less to be cash and cash equivalents.

**Inventory**

Inventory consists of various promotional items used in the Organization's programs. Inventory is valued at the lower of cost, determined on a first-in, first-out basis, or market.

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 (REVIEWED) AND 2007 (AUDITED)**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equipment and Furniture**

All major expenditures for equipment and furniture are capitalized at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the equipment and furniture, which range from 3 to 10 years.

**Investments**

The Organization carries its investments at market. The net realized and unrealized gains (losses) on investments are reflected in the statement of activities. Investments in unconsolidated subsidiaries are accounted for using the equity method.

**Amount Held for Others**

The amounts held for others consist of cash held for the Minnesota State American Legion Bowling Association.

**Revenue Recognition**

Membership dues collected are recognized as revenue ratably over the period to which the dues relate. Dues collected in advance are recorded as deferred membership revenues until they are earned.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received which are designated for future periods or restricted by donor to a particular purpose are recorded as temporarily restricted revenue until the appropriate future period or the donor purpose is satisfied.

**Donated Rent and Services**

Donated (in-kind) rent and services are valued at their fair market value. Donated services have not been recognized in these financial statements because no specialized skills as defined by generally accepted accounting principles have been provided. However, a substantial number of members have donated a significant amount of time to advance the Organization's programs.

**Advertising Costs**

Advertising costs are expensed when incurred.

**Functional Expense**

Expenses which apply to more than one function are allocated among the functions to which they apply. The allocation of salary expense is made by management's estimates of time expended in each program. Other expenses are allocated on the basis of percentage of time devoted to that function unless a more direct basis is apparent.

**Tax Exempt Status**

The Organization has a tax exempt status under 501(c)(19) of the Internal Revenue Code and Minnesota Statute, as an organization of past or present members of the armed forces. The Organization has no taxable unrelated business income at this time.

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 (REVIEWED) AND 2007 (AUDITED)**

**NOTE 2 INVESTMENTS**

Investments are comprised of the following at September 30:

	2008		2007	
	Cost	Market	Cost	Market
Fixed Income	\$ 861,000	\$ 788,579	\$ 961,000	\$ 948,293
Equity Securities	404,300	353,341	385,750	431,994
Total	\$ 1,265,300	\$ 1,141,920	\$ 1,346,750	\$ 1,380,287

Investment income (loss) for the years ended September 30 consists of the following:

	2008	2007
Interest from Investments	\$ 50,263	\$ 48,885
Realized Gains	9,950	24,318
Unrealized Gains (Losses)	(156,917)	65,453
Total	\$ (96,704)	\$ 138,656

Subsequent to year-end the market value of the investments substantially declined.

**NOTE 3 EQUIPMENT AND FURNITURE**

Equipment and furniture consists of the following at September 30:

	2008	2007
Computer and Software	\$ 57,184	\$ 54,499
Other Equipment and Furniture	269,750	169,365
	326,934	223,864
Accumulated Depreciation	(192,484)	(175,895)
Equipment, Net	\$ 134,450	\$ 47,969

**NOTE 4 DEFERRED MEMBERSHIP REVENUE**

Deferred revenue consists mainly of unearned membership dues totaling \$486,548 and \$508,181 at September 30, 2008 and 2007, respectively.

**NOTE 5 UNRESTRICTED NET ASSETS: DESIGNATED**

The Executive Committee, by board action, has designated unrestricted net assets for the following purposes:

	2008	2007
Operating Reserve	\$ 200,000	\$ 200,000
Programs	143,009	233,175
Total	\$ 343,009	\$ 433,175

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 (REVIEWED) AND 2007 (AUDITED)**

**NOTE 5 UNRESTRICTED NET ASSETS: DESIGNATED (CONTINUED)**

During the year ended September 30, 2008, three designated funds including; Special Veterans Hospital Fund, Flood/Tornado Relief Fund, World War II Memorial fund were transferred to the Minnesota American Legion Foundation. The programs will now be administered through the Foundation. This resulted in an additional expense of \$70,601. During 2007, the Baseball Fund, Fund for Hospitalized Veterans, Boy Scout Scholarship, Ely Fishing Fund, ROTC Scholarship and Nurses Scholarship designated funds were transferred to The Minnesota American Legion Foundation. The amount transferred was \$223,712. The Minnesota American Legion Foundation and The American Legion Department of Minnesota have several common board members.

**NOTE 6 RELATED PARTY TRANSACTIONS**

The American Legion Department of Minnesota has transactions with several organizations in which common board members exist.

Accounts receivable for the years ended September 30, 2008 and 2007 include certain expense reimbursements due from the American Legion Convention Corp. in the amount of \$-0- and \$1,798, respectively. The American Legion, Department of Minnesota provides support for the annual convention and the receivable is the amount to be returned after all expenses of the annual convention are paid.

The American Legion, Department of Minnesota made payments totaling \$310,186 and \$290,485 in fiscal 2008 and 2007, respectively, to The Minnesota Legionnaire, Inc. These payments represent reimbursements of office expenses as well as a portion of salary and benefits relating to one employee. These payments also represent an allocation of membership dues for the subscription price of The Minnesota Legionnaire, a publication produced by The Minnesota Legionnaire, Inc., for the members of The American Legion, Department of Minnesota. During 2008, the American Legion, Department of Minnesota remitted \$2.60 on each member's behalf. During 2007, the American Legion, Department of Minnesota remitted \$2.30 on each member's behalf. These payments to The Minnesota Legionnaire, Inc. for subscriptions are recognized as a reduction of membership dues.

The Organization made payments totaling \$10,215 and \$10,825 to Legionville School Safety Patrol Training Center, Inc. during years ended September 30, 2008 and 2007, respectively, for reimbursements of business insurance expense and other business expenses.

The American Legion, Department of Minnesota received \$27,742 and \$25,519 from The Minnesota Legionnaire, Inc. during the years ended September 30, 2008 and 2007, respectively for reimbursement of business and health insurance, retirement fund payments, and phone and insurance allocations. The Organization also received \$42,025 and \$45,000 from Legionville School Safety Patrol Training Center, Inc. during the years ended September 30, 2008 and 2007, respectively for administrative services, reimbursement of health insurance, retirement fund payments and other business expenses. The Organization also received \$2,000 from The Minnesota American Legion Foundation during the year ended September 30, 2008 for administrative services.

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 (REVIEWED) AND 2007 (AUDITED)**

**NOTE 7 INVESTMENT IN UNCONSOLIDATED SUBSIDIARY**

The American Legion, Department of Minnesota owns 100 percent of the outstanding stock of The American Legion Convention Corporation. The Organization accounts for this investment using the equity method based on the most recent year ended of the subsidiary.

A summary of the financial position and results of operations of the unconsolidated subsidiary for their most recent fiscal year is as follows:

	2008	2007
<b>American Legion Convention Corporation</b>		
Financial Position:		
Assets	\$ 1,000	\$ 300
Stockholder's Equity	\$ 1,000	\$ 300
Results of Operations:		
Revenues	\$ 21,000	\$ 19,600
Expenses	(20,300)	(20,300)
Net Income (Loss)	\$ 700	\$ (700)

**NOTE 8 FACILITIES**

The Organization utilizes facilities which are provided at no cost. The value of these facilities is recorded at the fair market value in revenue as in-kind rent and in the functional expenses as rent. The total fair market value of the rent was \$52,474 for both years ended September 30, 2008 and 2007.

**NOTE 9 PENSION PLAN**

The Organization participates with other affiliated American Legion organizations in a defined contribution profit sharing plan. The plan covers all classes of employees who have completed six months of service. The discretionary retirement expense was \$40,441 and \$34,939 for the years ended September 30, 2008 and 2007, respectively.

**NOTE 10 RISKS AND UNCERTAINTIES**

The Organization provides for investment in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect investment balances and the amounts reported in the balance sheet.

**ACCOUNTANTS' REPORT ON  
SUPPLEMENTAL INFORMATION**

Executive and Finance Committees  
The American Legion, Department of Minnesota  
St. Paul, Minnesota

Our review of the basic financial statements of The American Legion, Department of Minnesota for the year ended September 30, 2008 appears on page 1. Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The basic financial statements of The American Legion, Department of Minnesota for the year ended September 30, 2007 were audited by us, and we expressed an unqualified opinion on them in our report dated January 25, 2008.

The supplemental schedules of functional expense and activity in designated funds are presented for supplementary analysis purposes. Such information has not been subjected to the inquiries and analytical procedures applied in the review or audit procedures applied in the audit of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

**LarsonAllen LLP**

Minneapolis, Minnesota  
November 20, 2008

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
SCHEDULES OF FUNCTIONAL EXPENSE  
YEARS ENDED SEPTEMBER 30, 2008 AND 2007  
(SEE ACCOUNTANTS' REPORT ON SUPPLEMENTAL INFORMATION)**

	2008				2007					
	Program Expense	Supporting Services			2008 Total	Program Expense	Supporting Services			2007 Total
		Member Development	General and Administrative	Total			Member Development	General and Administrative	Total	
Salaries	\$ 214,401	\$ 80,560	\$ 117,745	\$ 198,305	\$ 412,706	\$ 173,671	\$ 72,363	\$ 115,781	\$ 188,144	\$ 361,815
Payroll Taxes	21,644	8,133	11,886	20,019	41,663	17,312	6,853	11,902	18,755	36,067
Employee Benefits	53,167	19,977	29,198	49,175	102,342	41,234	16,322	28,348	44,670	85,904
Professional Fees	-	-	11,794	11,794	11,794	-	-	11,347	11,347	11,347
Supplies	41,170	15,469	22,610	38,079	79,249	27,199	10,766	18,699	29,465	56,664
Telephone	4,192	1,575	2,302	3,877	8,069	3,331	1,318	2,290	3,608	6,939
Equipment Maintenance	13,542	5,088	7,437	12,525	26,067	12,787	5,062	8,791	13,853	26,640
Postage	11,876	4,462	6,522	10,984	22,860	13,075	5,176	8,989	14,165	27,240
Printing and Copying	2,657	998	1,459	2,457	5,114	3,353	1,327	2,305	3,632	6,985
Insurance	3,870	1,454	2,125	3,579	7,449	4,080	1,615	2,805	4,420	8,500
Rent	27,260	10,243	14,971	25,214	52,474	25,188	9,970	17,316	27,286	52,474
Travel	5,611	2,108	3,082	5,190	10,801	5,032	1,992	3,459	5,451	10,483
Promotion	1,260	474	692	1,166	2,426	1,181	468	812	1,280	2,461
Committees, Conferences and Conventions	266,464	-	-	-	266,464	240,794	-	-	-	240,794
Scholarships and Grants	278	-	-	-	278	491	-	-	-	491
Investment Management Fees	-	-	5,223	5,223	5,223	-	-	4,921	4,921	4,921
Designated Program Expense	218,290	-	-	-	218,290	416,740	-	-	-	416,740
Other	15,000	5,637	8,239	13,876	28,876	8,459	3,524	5,638	9,162	17,621
Depreciation	12,278	4,613	6,742	11,355	23,633	7,276	3,032	4,851	7,883	15,159
<b>Total Expense</b>	<b>\$ 912,960</b>	<b>\$ 160,791</b>	<b>\$ 252,027</b>	<b>\$ 412,818</b>	<b>\$ 1,325,778</b>	<b>\$ 1,001,203</b>	<b>\$ 139,788</b>	<b>\$ 248,254</b>	<b>\$ 388,042</b>	<b>\$ 1,389,245</b>

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
SCHEDULE OF ACTIVITY IN DESIGNATED FUNDS  
YEAR ENDED SEPTEMBER 30, 2008  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION)**

	Fund Balance 9/30/07	Investment Loss Allocation	Post Program Payments	Dues/ Regis- tration	Transfers	Other/ Sales	Program Expenses	Fund Balance 9/30/08
Gopher Pin	\$ (732)	\$ -	\$ -	\$ -	\$ -	\$ 263	\$ -	\$ (469)
Arveson Scholarship Reserve	4,980	(85)	-	-	-	-	-	4,895
Operation Heartbeat	7,679	-	-	-	-	-	(1,318)	6,361
Special Veterans Hospital Fund	57,309	-	46,403	-	-	-	(103,712)	-
Joe Kise Books	831	-	-	-	-	2,415	-	3,246
Post 1982	(32)	-	-	14,081	-	-	(13,354)	695
S.A.L. Dept. Resources	24,718	(413)	700	42,373	-	-	(44,197)	23,181
American Legion Auxiliary								
Gambling Fund	1,060	-	-	-	-	-	-	1,060
Public Relations Enhancement	528	-	-	-	-	-	-	528
Oratorical Scholarship	10,516	-	3,300	-	-	-	(4,200)	9,616
American Legion Memorial								
Scholarship Fund	71,209	(1,194)	225	-	-	-	(3,000)	67,240
Flood/Tornado Relief Fund	27,345	-	11,215	-	-	-	(38,560)	-
World War II Memorial Fund	4,537	-	-	-	-	2,673	(7,210)	-
Boy Scout Council Assist. Fund	13,723	(249)	1,675	-	-	-	-	15,149
S.A.L. P.U.F.L. Fund	9,504	(200)	-	4,806	-	-	(413)	13,697
American Legion Racing	-	-	136	-	-	-	-	136
National Convention	-	-	-	-	-	-	(2,326)	(2,326)
Operating Reserve	200,000	-	-	-	-	-	-	200,000
Net Assets, Unrestricted Designated	<u>\$ 433,175</u>	<u>\$ (2,141)</u>	<u>\$ 63,654</u>	<u>\$ 61,260</u>	<u>\$ -</u>	<u>\$ 5,351</u>	<u>\$ (218,290)</u>	<u>\$ 343,009</u>

**THE AMERICAN LEGION,  
DEPARTMENT OF MINNESOTA  
SCHEDULE OF ACTIVITY IN DESIGNATED FUNDS  
YEAR ENDED SEPTEMBER 30, 2007  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION)**

	Fund Balance 9/30/06	Investment Income Allocation	Post Program Payments	Dues/ Regis- tration	Transfers	Other/ Sales	Program Expenses	Fund Balance 9/30/07
Sports - Baseball	\$ 18,307	\$ 2,585	\$ 22,208	\$ 8,500	\$ -	\$ -	\$ (51,600)	\$ -
American Legion Fund for								
Hospitalized Veterans	32,853	-	10,950	-	-	-	(43,803)	-
Boy Scout Scholarship	26,757	2,287	-	-	-	-	(29,044)	-
Gopher Pin	(972)	-	-	-	-	240	-	(732)
Ely Fishing Fund	8,633	-	954	-	-	-	(9,587)	-
Arveson Scholarship Reserve	4,588	392	-	-	-	-	-	4,980
R.O.T.C. Scholarship	34,086	-	1,431	-	-	-	(35,517)	-
Operation Heartbeat	2,143	-	-	-	-	5,536	-	7,679
Special Veterans Hospital Fund	6,745	-	76,969	-	-	-	(26,405)	57,309
Nurses Scholarship Fund	95,601	8,003	-	-	-	-	(103,604)	-
Joe Kise Books	(169)	-	-	-	-	1,000	-	831
Leadership Seminar	870	-	-	3,170	-	-	(4,040)	-
Post 1982	2,816	-	-	12,316	-	-	(15,164)	(32)
S.A.L. Dept. Resources	35,200	3,010	525	28,697	-	65	(42,779)	24,718
American Legion Auxiliary								
Gambling Fund	1,060	-	-	-	-	-	-	1,060
Public Relations Enhancement	528	-	-	-	-	-	-	528
Oratorical Scholarship	10,016	-	3,300	-	-	-	(2,800)	10,516
American Legion Memorial								
Scholarship Fund	68,686	5,873	225	-	-	-	(3,575)	71,209
Flood/Tornado Relief Fund	27,620	-	7,725	-	-	-	(8,000)	27,345
World War II Memorial Fund	30,178	-	-	-	-	14,949	(40,590)	4,537
Boy Scout Council Assist. Fund	10,307	881	2,535	-	-	-	-	13,723
S.A.L. P.U.F.L. Fund	-	428	-	9,308	-	-	(232)	9,504
American Legion Racing	-	-	-	-	-	-	-	-
National Convention	-	-	-	-	-	-	-	-
Operating Reserve	200,000	-	-	-	-	-	-	200,000
Net Assets, Unrestricted								
Designated	<u>\$ 615,853</u>	<u>\$ 23,459</u>	<u>\$ 126,822</u>	<u>\$ 61,991</u>	<u>\$ -</u>	<u>\$ 21,790</u>	<u>\$ (416,740)</u>	<u>\$ 433,175</u>