

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA**

FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2009 AND 2008

**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 sheets of The American Legion, Department of Minnesota as of September 30, 2009 and 2008, and the related statements of activities and cash flows for the years 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, 2009 and 2008 financial statements in order for them to be in conformity with generally accepted accounting principles.

LarsonAllen LLP

Minneapolis, Minnesota
January 7, 2010

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
BALANCE SHEETS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT)**

	2009	2008
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 382,131	\$ 479,955
Accounts Receivable	99,682	671
Accrued Interest Receivable	8,662	6,324
Inventories	2,846	4,689
Prepaid Expenses	30,065	44,139
Total Current Assets	523,386	535,778
EQUIPMENT AND FURNITURE, Net	122,104	134,450
INVESTMENTS		
Investments	1,207,799	1,141,920
Investment in Unconsolidated Subsidiaries	1,000	1,000
Total Investments	1,208,799	1,142,920
Total Assets	\$ 1,854,289	\$ 1,813,148
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 7,878	\$ 8,974
Accrued Vacation	32,326	53,849
Deferred Revenue	485,819	513,098
Amount Held for Others	14,339	19,106
Total Current Liabilities	540,362	595,027
NET ASSETS		
Unrestricted:		
Undesignated	1,045,140	875,112
Designated	268,787	343,009
Total Net Assets	1,313,927	1,218,121
Total Liabilities and Net Assets	\$ 1,854,289	\$ 1,813,148

See accompanying Notes to Financial Statements.

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
STATEMENTS OF ACTIVITIES
YEARS ENDED SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT**

	2009			2008		
	Unrestricted		Total	Unrestricted		Total
	Undesignated	Designated		Undesignated	Designated	
SUPPORT - CONTRIBUTIONS	\$ 1,822	\$ -	\$ 1,822	\$ 647	\$ -	\$ 647
REVENUE						
Membership Dues	995,377	-	995,377	1,027,746	-	1,027,746
Less: MN Legionnaire Portion	(251,062)	-	(251,062)	(256,865)	-	(256,865)
Revenue Enhancement Sales	325,219	-	325,219	373,253	-	373,253
Grants	97,739	-	97,739	96,600	-	96,600
Registration and Fees	-	60,966	60,966	-	61,260	61,260
Post Program Payments	-	337	337	-	63,654	63,654
Investment Income (Losses)	103,920	13,665	117,585	(94,563)	(2,141)	(96,704)
Royalties	160,598	-	160,598	259,809	-	259,809
In-Kind Rent	54,553	-	54,553	52,474	-	52,474
Loss on Sale of Assets	(354)	-	(354)	(138)	-	(138)
Other	27,788	4,386	32,174	46,111	5,351	51,462
Total Revenue	<u>1,513,778</u>	<u>79,354</u>	<u>1,593,132</u>	<u>1,504,427</u>	<u>128,124</u>	<u>1,632,551</u>
Total Support and Revenue	1,515,600	79,354	1,594,954	1,505,074	128,124	1,633,198
EXPENSES						
Program Expense	737,204	153,576	890,780	694,670	218,290	912,960
Supporting Services:						
Member Development	164,451	-	164,451	160,791	-	160,791
General and Administrative	260,182	-	260,182	252,027	-	252,027
Total Supporting Services	<u>424,633</u>	<u>-</u>	<u>424,633</u>	<u>412,818</u>	<u>-</u>	<u>412,818</u>
Fundraising - Cost of Enhancement Sales	183,735	-	183,735	251,962	-	251,962
Total Expenses	<u>1,345,572</u>	<u>153,576</u>	<u>1,499,148</u>	<u>1,359,450</u>	<u>218,290</u>	<u>1,577,740</u>
CHANGE IN UNRESTRICTED NET ASSETS	170,028	(74,222)	95,806	145,624	(90,166)	55,458
Net Assets Unrestricted - Beginning of Year	875,112	343,009	1,218,121	729,488	433,175	1,162,663
NET ASSETS UNRESTRICTED - END OF YEAR	<u>\$ 1,045,140</u>	<u>\$ 268,787</u>	<u>\$ 1,313,927</u>	<u>\$ 875,112</u>	<u>\$ 343,009</u>	<u>\$ 1,218,121</u>

See accompanying Notes to Financial Statements.

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT**

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 95,806	\$ 55,458
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	30,326	23,633
Unrealized (Gain) Loss on Investments	(101,927)	156,917
Realized Loss (Gain) from Sale of Investments	28,808	(9,950)
Loss on Disposal of Assets	353	138
(Increase) Decrease in Current Assets:		
Receivables and Prepaid Expenses	(87,275)	(954)
Inventories	1,843	1,634
Increase (Decrease) in Current Liabilities:		
Payables and Accrued Expenses	(22,619)	(20,733)
Deferred Revenue	(27,279)	(23,371)
Amount Held for Others	(4,767)	1,233
Net Cash Provided (Used) by Operating Activities	(86,731)	184,005
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Equipment and Furniture	(18,333)	(110,252)
Proceeds from Sale of Investments	229,395	736,154
Purchase of Investments	(222,155)	(644,754)
Net Cash Used by Investing Activities	(11,093)	(18,852)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(97,824)	165,153
Cash and Cash Equivalents - Beginning of Year	479,955	314,802
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 382,131	\$ 479,955

See accompanying Notes to Financial Statements.

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT**

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

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 as 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.

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.

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 fair value. 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.

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

The Organization accounts receivable consists primarily of revenues from the Minnesota Disability of Veterans Affairs and is recorded as revenue when earned. Receivables are expected to be collectable and therefore the organization has passed on setting up an allowance for bad debt.

Amount Held for Others

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

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.

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.

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.

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.

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Organization has elected to defer guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The Organization follows the accounting standard for contingencies in evaluating uncertain tax positions.

Fair Value Measurement

The Organization accounts for its investments at fair value and has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the Statements of Financial Position are categorized based on the inputs to the valuation techniques as follows:

Level 1 - Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

Level 2 - Financial assets and liabilities are valued using inputs quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 - Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes long/short funds, private equity, venture capital, hedge fund, and real assets.

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (Continued)

The following table presents the fair value hierarchy for the balance of the assets of the Organization measured at fair value on a recurring basis as of September 30, 2009:

	Level 1	Level 2	Level 3	Total
INVESTMENTS:				
Fixed Income	\$ -	\$ 879,031	\$ -	\$ 879,031
Equity Securities	328,768	-	-	328,768
Total	<u>\$ 328,768</u>	<u>\$ 879,031</u>	<u>\$ -</u>	<u>\$ 1,207,799</u>

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 7, 2010, the date the financial statements were available to be issued.

NOTE 2 INVESTMENTS

Investments are comprised of the following at September 30:

	2009		2008	
	Cost	Market	Cost	Market
Fixed Income	\$ 861,000	\$ 879,031	\$ 861,000	\$ 788,579
Equity Securities	368,252	328,768	404,300	353,341
Total	<u>\$ 1,229,252</u>	<u>\$ 1,207,799</u>	<u>\$ 1,265,300</u>	<u>\$ 1,141,920</u>

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

	2009	2008
Interest from Investments	\$ 44,466	\$ 50,263
Realized (Loss) Gains	(28,808)	9,950
Unrealized Gains (Loss)	101,927	(156,917)
Total	<u>\$ 117,585</u>	<u>\$ (96,704)</u>

NOTE 3 EQUIPMENT AND FURNITURE

Equipment and furniture consists of the following at September 30:

	2009	2008
Computer and Software	\$ 72,217	\$ 57,184
Other Equipment and Furniture	269,750	269,750
	341,967	326,934
Accumulated Depreciation	(219,863)	(192,484)
Equipment, Net	<u>\$ 122,104</u>	<u>\$ 134,450</u>

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT**

NOTE 4 DEFERRED MEMBERSHIP REVENUE

Deferred revenue consists mainly of unearned membership dues totaling \$459,043 and \$486,548 at September 30, 2009 and 2008, respectively.

NOTE 5 UNRESTRICTED NET ASSETS: DESIGNATED

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

	2009	2008
Operating Reserve	\$ 200,000	\$ 200,000
Programs	68,787	143,009
Total	\$ 268,787	\$ 343,009

During the year ended September 30, 2009, two designated funds including; Oratorical Scholarship Fund and American Legion Memorial Scholarship 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 \$76,975. 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 are now administered through the Foundation. This resulted in an additional expense of \$70,601. 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, 2009 and 2008 include certain expense reimbursements due from the American Legion Convention Corp. in the amount of \$-0-.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 \$302,970 and \$310,186 in fiscal 2009 and 2008, 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 2009 and 2008, the American Legion, Department of Minnesota remitted \$2.60 on each member's behalf. These payments to The Minnesota Legionnaire, Inc. for subscriptions are recognized as a reduction of membership dues.

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT)**

NOTE 6 RELATED PARTY TRANSACTIONS (CONTINUED)

The Organization made payments totaling \$20,326 and \$10,215 to Legionville School Safety Patrol Training Center, Inc. during years ended September 30, 2009 and 2008, respectively, for reimbursements of business insurance expense and other business expenses.

The American Legion, Department of Minnesota received \$16,337 and \$27,742 from The Minnesota Legionnaire, Inc. during the years ended September 30, 2009 and 2008, respectively for reimbursement of business and health insurance, retirement fund payments, and phone and insurance allocations.

The Organization also received \$21,951 and \$42,025 from Legionville School Safety Patrol Training Center, Inc. during the years ended September 30, 2009 and 2008, respectively for administrative services, reimbursement of health insurance, retirement fund payments and other business expenses. In 2009, the American Legion Department of Minnesota agreed to no longer charge a fee for services.

The Organization also received \$2,000 from The Minnesota American Legion Foundation during the years ended September 30, 2009 and 2008 for administrative services.

NOTE 7 INVESTMENT IN UNCONSOLIDATED SUBSIDIARY

The American Legion, Department of Minnesota owns 100% 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:

	<u>2009</u>	<u>2008</u>
American Legion Convention Corporation		
Financial Position:		
Assets	<u>\$ 1,000</u>	<u>\$ 1,000</u>
Stockholder's Equity	<u>\$ 1,000</u>	<u>\$ 1,000</u>
Results of Operations:		
Revenues	\$ 17,124	\$ 21,000
Expenses	<u>(17,124)</u>	<u>(20,300)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ 700</u>

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REVIEW REPORT**

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 \$54,553 and \$52,474 for years ended September 30, 2009 and 2008.

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 \$45,650 and \$40,441 for the years ended September 30, 2009 and 2008, 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' REVIEW REPORT ON
SUPPLEMENTARY INFORMATION**

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

Our reviews of the basic financial statements of The American Legion, Department of Minnesota for the year ended September 30, 2009 and 2008 appears on page 1. Our reviews were 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 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
January 7, 2010

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
SCHEDULES OF FUNCTIONAL EXPENSE
YEARS ENDED SEPTEMBER 30, 2009 AND 2008
(SEE ACCOUNTANTS' REPORT ON SUPPLEMENTAL INFORMATION)**

	2009					2008				
	Program Expense	Supporting Services			2009 Total	Program Expense	Supporting Services			2008 Total
		Member Development	General and Administrative	Total			Member Development	General and Administrative	Total	
Salaries	\$ 231,768	\$ 83,760	\$ 123,926	\$ 207,686	\$ 439,454	\$ 214,401	\$ 80,560	\$ 117,745	\$ 198,305	\$ 412,706
Payroll Taxes	19,801	7,156	10,588	17,744	37,545	21,644	8,133	11,886	20,019	41,663
Employee Benefits	60,335	21,805	32,261	54,066	114,401	53,167	19,977	29,198	49,175	102,342
Professional Fees	-	-	13,326	13,326	13,326	-	-	11,794	11,794	11,794
Supplies	35,180	12,714	18,811	31,525	66,705	41,170	15,469	22,610	38,079	79,249
Telephone	3,915	1,415	2,093	3,508	7,423	4,192	1,575	2,302	3,877	8,069
Equipment Maintenance	12,630	4,564	6,753	11,317	23,947	13,542	5,088	7,437	12,525	26,067
Postage	19,507	7,050	10,430	17,480	36,987	11,876	4,462	6,522	10,984	22,860
Printing and Copying	1,560	564	834	1,398	2,958	2,657	998	1,459	2,457	5,114
Insurance	3,929	1,420	2,101	3,521	7,450	3,870	1,454	2,125	3,579	7,449
Rent	28,771	10,398	15,384	25,782	54,553	27,260	10,243	14,971	25,214	52,474
Travel	6,120	2,212	3,273	5,485	11,605	5,611	2,108	3,082	5,190	10,801
Promotion	1,308	473	700	1,173	2,481	1,260	474	692	1,166	2,426
Committees, Conferences and Conventions	281,798	-	-	-	281,798	266,464	-	-	-	266,464
Scholarships and Grants	360	-	-	-	360	278	-	-	-	278
Investment Management Fees	-	-	3,545	3,545	3,545	-	-	5,223	5,223	5,223
Designated Program Expense	153,576	-	-	-	153,576	218,290	-	-	-	218,290
Other	14,228	5,140	7,605	12,745	26,973	15,000	5,637	8,239	13,876	28,876
Depreciation	15,994	5,780	8,552	14,332	30,326	12,278	4,613	6,742	11,355	23,633
Total Expense	\$ 890,780	\$ 164,451	\$ 260,182	\$ 424,633	\$ 1,315,413	\$ 912,960	\$ 160,791	\$ 252,027	\$ 412,818	\$ 1,325,778

**THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA
SCHEDULE OF ACTIVITY IN DESIGNATED FUNDS
YEAR ENDED SEPTEMBER 30, 2009
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION)**

	Fund Balance 9/30/08	Investment Gain Allocation	Post Program Payments	Dues/ Regis- tration	Transfers	Other/ Sales	Program Expenses	Fund Balance 9/30/09
Gopher Pin	\$ (469)	\$ -	\$ -	\$ -	\$ -	\$ 365	\$ -	\$ (104)
Arveson Scholarship Reserve	4,895	799	212	-	-	-	-	5,906
Operation Heartbeat	6,361	-	-	-	-	1,031	-	7,392
Joe Kise Books	3,246	-	-	-	-	2,990	(4,900)	1,336
Leadership Seminar	-	-	-	2,757	-	-	(2,757)	-
Post 1982	695	-	-	11,696	-	-	(10,504)	1,887
S.A.L. Dept. Resources	23,181	4,110	-	44,026	-	-	(38,930)	32,387
American Legion Auxiliary Gambling Fund	1,060	-	-	-	-	-	(1,060)	-
Public Relations Enhancement	528	-	-	-	-	-	(528)	-
Oratorical Scholarship	9,616	-	-	-	-	-	(9,616)	-
American Legion Memorial Scholarship Fund	67,240	5,275	125	-	-	-	(68,559)	4,081
Boy Scout Council Assist. Fund	15,149	1,114	-	-	-	-	(16,348)	(85)
S.A.L. P.U.F.L. Fund	13,697	2,367	-	2,487	-	-	(250)	18,301
American Legion Racing	136	-	-	-	-	-	-	136
National Convention	(2,326)	-	-	-	-	-	(124)	(2,450)
Operating Reserve	200,000	-	-	-	-	-	-	200,000
Net Assets, Unrestricted Designated	<u>\$ 343,009</u>	<u>\$ 13,665</u>	<u>\$ 337</u>	<u>\$ 60,966</u>	<u>\$ -</u>	<u>\$ 4,386</u>	<u>\$ (153,576)</u>	<u>\$ 268,787</u>

**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 Income 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>