

**COMMUNITY FOUNDATION OF
GREATER JACKSON, INC.**

Audited Financial Statements
Year Ended March 31, 2012
(With Summarized Financial Information
for the Year Ended March 31, 2011)

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Community Foundation of Greater Jackson, Inc.
Jackson, Mississippi

We have audited the accompanying statement of financial position of Community Foundation of Greater Jackson, Inc. (the "Foundation") as of March 31, 2012, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year's summarized comparative information has been derived from the Foundation's 2011 financial statements and, in our report dated August 16, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of March 31, 2012, 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.

A handwritten signature in black ink that reads "Horne LLP". The signature is written in a cursive, flowing style.

Ridgeland, Mississippi
August 28, 2012

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Statements of Financial Position

March 31, 2012 and 2011

	2012	2011
ASSETS		
Current assets		
Cash	\$ 137,883	\$ 60,435
Money market funds	2,835,081	2,319,961
Contribution receivable - charitable lead trust, current portion	101,715	94,988
Total current assets	<u>3,074,679</u>	<u>2,475,384</u>
Investments in marketable securities	24,714,017	24,471,122
Contribution receivable - charitable lead annuity trust, less current portion	286,919	388,634
Cash surrender value of life insurance policy	74,750	71,642
Equipment and furnishings, net of accumulated depreciation	163	704
Total assets	<u>\$ 28,150,528</u>	<u>\$ 27,407,486</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Amounts held for others under agency transactions	\$ 4,220,533	\$ 4,107,264
Grants payable	5,755	2,500
Total current liabilities	<u>4,226,288</u>	<u>4,109,764</u>
Net assets		
Unrestricted	12,467,525	12,734,022
Temporarily restricted	11,456,715	10,563,700
Total net assets	<u>23,924,240</u>	<u>23,297,722</u>
Total liabilities and net assets	<u>\$ 28,150,528</u>	<u>\$ 27,407,486</u>

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
 Statements of Activities
 Year Ended March 31, 2012
 (With Summarized Financial Information for the Year Ended March 31, 2011)

	Unrestricted Funds	Temporarily Restricted Funds	Total All Funds	
			2012	2011
Revenue, gains and other support				
Contributions	\$ 1,457,555	\$ 1,444,346	\$ 2,901,901	\$ 757,249
Interest and dividends	199,248	296,195	495,443	333,372
Realized gains (losses) on investments	428,730	(102,964)	325,766	117,363
Unrealized (losses) gains on investments	(720,386)	84,498	(635,888)	2,738,544
Miscellaneous income	-	4,400	4,400	34,672
Administrative fees for agency funds	29,918	-	29,918	27,934
Net assets released from restrictions				
Satisfaction of program restrictions	833,460	(833,460)	-	-
Total revenue, gains and other support	2,228,525	893,015	3,121,540	4,009,134
Expenses				
Program services	2,390,824	-	2,390,824	2,285,268
Management and general	78,959	-	78,959	89,105
Fundraising	25,239	-	25,239	32,721
Total expenses	2,495,022	-	2,495,022	2,407,094
Change in net assets	(266,497)	893,015	626,518	1,602,040
Net assets, beginning of year	12,734,022	10,563,700	23,297,722	21,695,682
Net assets, end of year	\$ 12,467,525	\$ 11,456,715	\$ 23,924,240	\$ 23,297,722

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Statements of Functional Expenses

Year Ended March 31, 2012

(With Summarized Financial Information for the Year Ended March 31, 2011)

	Program Services	Management and General	Fund Raising	Total Expenses	
				2012	2011
Direct expenses					
Grants and scholarships	\$ 1,910,690	\$ -	\$ -	\$ 1,910,690	\$ 1,749,319
Events	115,710	-	-	115,710	93,308
Conferences and meetings	2,195	-	-	2,195	3,723
Investment and management fees	70,256	-	-	70,256	65,634
Total direct expenses	2,098,851	-	-	2,098,851	1,911,984
Allocated expenses					
Accounting and legal	1,500	28,500	-	30,000	30,000
Bank fees	3,042	-	-	3,042	4,124
Depreciation	454	49	38	541	799
Dues and subscriptions	6,553	702	546	7,801	7,245
Employee benefits	15,274	1,636	1,273	18,183	26,694
Insurance	3,836	411	320	4,567	2,103
Marketing and sponsorships	30,347	3,251	2,529	36,127	21,896
Meals and entertainment	627	67	52	746	471
Miscellaneous	3,130	336	154	3,620	17,799
Payroll taxes	12,812	1,373	1,068	15,253	21,387
Postage	3,913	419	326	4,658	5,797
Printing	10,246	1,250	1,000	12,496	12,832
Rent	16,440	16,440	-	32,880	32,880
Salaries and wages	166,389	22,596	16,434	205,419	287,588
Software hosting	11,524	1,235	960	13,719	16,669
Supplies	2,160	295	228	2,683	3,301
Telephone	3,726	399	311	4,436	3,525
Total allocated expenses	291,973	78,959	25,239	396,171	495,110
Total	\$ 2,390,824	\$ 78,959	\$ 25,239	\$ 2,495,022	\$ 2,407,094

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Statements of Cash Flows

Years Ended March 31, 2012 and 2011

	2012	2011
Cash flows from operating activities		
Change in net assets	\$ 626,518	\$ 1,602,040
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	541	799
Realized gains on investments	(325,766)	(117,363)
Unrealized losses (gains) on investments	624,622	(2,738,543)
Changes in assets and liabilities		
Contribution receivable - charitable lead trust	94,988	88,707
Grants payable	3,255	(8,305)
Increase in cash surrender value of life insurance policy	(3,108)	(8,224)
Amounts held for others under agency transactions	97,633	(57,427)
Net cash provided by (used in) operating activities	<u>1,118,683</u>	<u>(1,238,316)</u>
Cash flows from investing activities		
Net change in money market funds	(515,120)	(55,263)
Proceeds from sale of investments	6,430,145	8,374,463
Purchase of investments	(6,956,260)	(7,069,151)
Net cash provided by (used in) investing activities	<u>(1,041,235)</u>	<u>1,250,049</u>
Net increase in cash and cash equivalents	77,448	11,733
Cash and cash equivalents, beginning of year	<u>60,435</u>	<u>48,702</u>
Cash and cash equivalents, end of year	<u>\$ 137,883</u>	<u>\$ 60,435</u>

See accompanying notes.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Community Foundation of Greater Jackson, Inc. (the "Foundation") is a nonprofit, community corporation created by and for the people of Hinds, Rankin and Madison Counties to help charitable donors establish permanent giving funds that reflect individual philanthropic interests while also making a long-term, positive impact on the community.

Basis of Presentation

The Foundation's financial statements are presented on the accrual basis and report information regarding its financial position and activities according to three classes of net assets: (1) unrestricted net assets, (2) temporarily restricted net assets and (3) permanently restricted net assets.

Use of Estimates

The preparation of financial statements in accordance 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 and disclosure of contingent 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 Foundation considers all highly liquid investments with maturity when purchased of three months or less to be cash equivalents.

Money Market Funds

Money market funds include highly liquid mutual funds that invest in short-term securities. The funds' objectives are to maintain fair market values at \$1 per share.

Investments

Investments in equity securities and all investments in debt securities are measured at fair value in the financial statements. Investment income or loss, including realized and unrealized gains and losses on investments and interest and dividends, is included in the statements of activities as increases or decreases in unrestricted net assets unless the income or loss is restricted by donor or by law.

The Foundation's investments are allocated among equity and fixed income securities. The Foundation desires to maintain a diversified mix of assets and maintains an investment policy that is monitored by management and the Investment Committee.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 1. Continued

Equipment and Furnishings

Equipment and furnishings are stated at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated lives of the assets. It is the policy of the Foundation to capitalize all fixed asset purchases with a minimum useful life of one year and a minimum cost of \$500.

Amounts Held for Others Under Agency Transactions

The Foundation accounts for amounts held for others under agency transactions in accordance with Accounting Standards Codification ("ASC") 958-605, *Transfers of Assets to a Not-For-Profit Entity or Charitable Trust That Raises or Holds Contributions for Others* ("ASC 958-605"). This standard establishes requirements for transactions in which a community foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets or both to another entity that is specified by the donor. ASC 958-605 specifically requires that if a not-for-profit organization establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund, the community foundation must account for the transfer of such assets as a liability. The Foundation refers to such funds as "amounts held for others under agency transactions".

Net Assets

Restricted net assets are those which have been restricted by donors outside of the Foundation. The restriction may be temporary or permanent, depending upon the terms of the gift. 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 statements of activities as net assets released from restriction. Gifts whose restrictions are met in the same reporting period are reported as unrestricted gifts.

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Foundation has determined that there are no significant uncertain tax positions as of March 31, 2012 and 2011. All tax periods after 2007 remain open to examination by the federal and state taxing jurisdictions to which the Foundation is subject.

Contributions

Contributions are recognized as revenue when they are received or unconditionally promised.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 1. Continued

The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets.

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. See Note 10 for discussion of contributed services.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended March 31, 2011, from which the summarized information was derived.

Note 2. Charitable Lead Annuity Trust

The Foundation is the beneficiary of a charitable lead annuity trust. The Foundation recorded amortization of the discount associated with the estimated present value of the receivable in the amount of \$28,812 and \$35,093 as a contribution in 2012 and 2011, respectively.

The status of the amounts recorded under the charitable lead annuity trust is as follows at March 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Remaining quarterly payments	\$ 433,300	\$ 557,100
Less: discount at 6.5 percent	<u>44,666</u>	<u>73,478</u>
Present value of amounts receivable	388,634	483,622
Current portion of present value	<u>101,715</u>	<u>94,988</u>
Long-term portion of present value	<u>\$ 286,919</u>	<u>\$ 388,634</u>

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 2. Continued

The charitable lead annuity trust is scheduled to be received as follows:

Within one year	\$ 123,800
Two to five years	309,500
	\$ 433,300

Note 3. Investments in Marketable Securities

The details of investments in marketable securities at March 31, 2012 were as follows:

	Cost	Fair Value	Unrealized Appreciation
Equity securities	\$ 17,232,253	\$ 20,550,525	\$ 3,318,272
Fixed income securities	3,930,884	4,105,189	174,305
Commodity	41,277	58,303	17,026
	\$ 21,204,414	\$ 24,714,017	\$ 3,509,603

Amounts shown as cost include reinvested dividends.

Investment return is classified in the statements of activities based on the donor's requirements for invested funds. The following schedule summarizes the investment return and its classification in the statements of activities for the year ended March 31, 2012.

	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 199,248	\$ 296,195	\$ 495,443
Realized gains (losses)	428,730	(102,964)	325,766
Unrealized gains (losses)	(720,386)	84,498	(635,888)
	\$ (92,408)	\$ 277,729	\$ 185,321

During 2012, investments of \$16,255 were contributed to the Foundation. Investments were subsequently sold and are included in proceeds from sale of investments on the statements of cash flows.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 3. Continued

The details of investments in marketable securities at March 31, 2011 were as follows:

	Cost	Fair Value	Unrealized Appreciation
Equity securities	\$ 16,175,937	\$ 20,065,906	\$ 3,889,969
Fixed income securities	4,160,206	4,278,016	117,810
Commercial deposits	127,200	127,200	-
	<u>\$ 20,463,343</u>	<u>\$ 24,471,122</u>	<u>\$ 4,007,779</u>

Amounts shown as cost include reinvested dividends.

Investment return is classified in the statements of activities based on the donor's requirements for invested funds. The following schedule summarizes the investment return and its classification in the statements of activities for the year ended March 31, 2011.

	Unrestricted	Temporarily Restricted	Total
Interest and dividends	\$ 155,345	\$ 178,027	\$ 333,372
Realized gains (losses)	338,025	(220,662)	117,363
Unrealized gains	1,319,736	1,418,808	2,738,544
	<u>\$ 1,813,106</u>	<u>\$ 1,376,173</u>	<u>\$ 3,189,279</u>

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least 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 and activities.

Note 4. Fair Value Disclosures

ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"), establishes a framework for measuring fair value and establishes a hierarchy that categorizes and prioritizes the sources to be used to estimate fair value. ASC 820 also expands financial statement disclosures about fair value measurements. Under ASC 820, fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. ASC 820 also establishes a three-tier hierarchy for inputs used in measuring fair value, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 4. Continued

- Level 1* Quoted prices in active markets for identical assets or liabilities.
- Level 2* Directly or indirectly observable inputs other than Level 1 prices, such as quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks and default rates); or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3* Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities would include financial instruments whose value is determined using pricing models, discounted cash flow methodologies or similar techniques, as well as for which the determination of the fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Assets measured at fair value, on a recurring basis, are summarized below as of March 31, 2012 and 2011. There have been no changes in the valuation methodologies used at March 31, 2012 and 2011.

Money market funds (Level 1): Valued at net asset value of shares held by the funds at year-end.

Investments in equity and fixed income securities, except for limited partnership, bonds and commercial deposits (Level 1): Valued at the closing price reported on the active market on which the individual securities are traded.

Commodities (Level 1): Valued at the closing price reported on the active market on which the commodities are traded.

Limited partnership (Level 2): Valued based on proportional interest in net asset value of limited partnership.

Bonds (Level 2): Valued based on yields currently available on comparable securities of issues with similar credit ratings.

Commercial deposits (Level 2): Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 4. Continued

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of March 31, 2012:

	Level 1	Level 2	Level 3
Money market funds	\$ 2,835,081	\$ -	\$ -
Equity securities			
Mutual funds	17,093,032	-	-
Common stocks	3,427,500	-	-
Commodities	58,303	-	-
Fixed income securities			
Mutual funds	3,728,272	-	-
Limited partnership	-	187,475	-
Bonds	-	219,435	-
Total assets at fair value	\$ 27,142,188	\$ 406,910	\$ -

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of March 31, 2011:

	Level 1	Level 2	Level 3
Money market funds	\$ 2,319,961	\$ -	\$ -
Equity securities			
Mutual funds	16,203,004	-	-
Common stocks	2,951,927	-	-
Preferred stocks	910,975	-	-
Fixed income securities			
Mutual funds	3,584,670	-	-
Limited partnership	-	152,598	-
Bonds	-	540,748	-
Commercial deposits	-	127,200	-
Total assets at fair value	\$ 25,970,537	\$ 820,546	\$ -

Note 5. Amounts Held for Others Under Agency Transactions

At March 31, 2012 and 2011, the Foundation was the intermediary for agency endowment funds with a combined value of \$4,220,533 and \$4,107,264, respectively. The following table summarizes activity in such funds during the years ended March 31, 2012 and 2011:

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 5. Continued

	2012	2011
Agency endowment fund balances at April 1	\$ 4,107,264	\$ 3,780,555
Contributions	276,293	160,796
Reclassification to unrestricted funds	-	-
Investment income	103,341	74,703
Realized gain on investments	12,083	(55,112)
Unrealized gain on investments	3,552	439,247
Management fees and grants paid on behalf of fund(s)	(282,000)	(292,925)
	<hr/>	<hr/>
Agency endowment fund balances at March 31	\$ 4,220,533	\$ 4,107,264

Note 6. Endowment Net Assets

The endowments associated with the temporary restricted net assets are investments managed to obtain a moderate rate of return. Investment income and other market returns, such as realized and unrealized gains or losses are recognized with the endowment and restricted for specific purposes. The spending policy of the Foundation was 5 percent of average market value during 2012 and 2011. Although not anticipated, the Board of Trustees may modify any restrictions if such restrictions become unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community served. The Foundation interprets the current state law regarding the treatment of endowments as the preservation of the purchasing power and prudent expenditure of endowment funds and related appreciation. Endowment net asset composition by type of fund as of March 31, 2012 and 2011 included \$11,456,715 and \$10,563,700 of temporarily restricted endowment funds, respectively.

Changes in temporarily restricted endowment net assets for the years ended March 31, 2012 and 2011 are as follows:

	Year Ended March 31, 2012	Year Ended March 31, 2011
Endowment net assets, beginning of year	\$ 10,563,700	\$ 9,869,150
Investment return		
Interest and dividends	296,195	178,027
Net appreciation (depreciation)	(18,466)	1,198,146
Total investment return	277,729	1,376,173
Contributions and other income	1,448,746	190,861
Net assets released	(833,460)	(872,484)
	<hr/>	<hr/>
Endowment net assets, end of year	\$ 11,456,715	\$ 10,563,700

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 7. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of March 31, 2012 and 2011:

	2012	2011
Art	\$ 1,145,881	\$ 129,784
Catholic church and other non-profits	215,355	222,115
Children's Cancer Clinic	328,921	323,691
Community enrichment	1,364,847	1,385,654
Educational purposes	4,286,732	4,413,441
Episcopal Diocese operations	361,702	375,065
Journalism awards	36,518	37,531
Library	9,620	15,816
Mid-South Foundation purposes	264,978	260,673
Mission work	23,132	23,945
Museums	584,741	605,832
Musicians	142,029	139,162
Parks and recreation	-	19,510
Scholarships	1,503,202	1,450,420
Special needs	809,568	850,295
Underprivileged children	184,441	192,446
Other	195,048	118,320
	<u>\$ 11,456,715</u>	<u>\$ 10,563,700</u>

Note 8. Operating Leases

The Foundation leases its office facilities under a long-term, non-cancelable operating lease agreement. During June 2011 the Foundation exercised a two-year extension option. The renewed lease term expires December 31, 2013. Total rent expense for 2012 and 2011 for all operating leases was \$32,880 in each year.

The following is a schedule by year of future net minimum rental payments required under the operating lease agreement:

Year Ending March 31,	Amount
2013	\$ 16,440
2014	12,330
	<u>\$ 28,770</u>

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.
Years Ended March 31, 2012 and 2011

NOTES TO FINANCIAL STATEMENTS

Note 9. Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of money market funds and securities at brokerage firms. Balances are insured up to \$500,000, including a \$100,000 limit for cash, by the Securities Investor Protection Corporation. At March 31, 2012, the Foundation had approximately \$23,286,803 in excess of SIPC insured limits.

Note 10. Contributed Services

The facility utilized by the Foundation is provided at a cost that is less than fair rental value. Rental expense for each of the years ended March 31, 2012 and 2011 includes \$16,440 of contributed rent. These amounts are reflected in the accompanying financial statements as contribution revenue and rent expense.

Note 11. Profit Sharing 401(k) Retirement Plan

The Foundation has a safe harbor, contributory 401(k) profit sharing plan (the "Plan") covering substantially all full-time employees. Employees are allowed to contribute a percentage of their annual wages to the Plan, subject to certain Internal Revenue Service limitations. The Foundation contributes a safe harbor non-elective contribution of 3 percent and a discretionary age-weighted contribution. The Company's total contributions to the Plan were \$5,746 and \$8,628 in 2012 and 2011, respectively.

Note 12. Subsequent Events

The Foundation has evaluated subsequent events through August 28, 2012, the date these financial statements were available to be issued. No subsequent events have occurred that require recognition or disclosure.



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

Board of Trustees
Community Foundation of Greater Jackson, Inc.
Jackson, Mississippi

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Horne LLP

Ridgeland, Mississippi
August 28, 2012

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Schedules of Operations

March 31, 2012, 2011, 2010, 2009 and 2008

	2012	2011	2010	2009	2008
Total revenues, gains and other	\$ 3,121,540	\$ 4,009,134	\$ 9,628,115	\$ (3,406,823)	\$ 8,041,626
Unrealized (gains) losses on investments	635,888	(2,738,544)	(6,145,762)	5,004,543	2,191,473
Realized (gains) losses on investments	(325,766)	(117,363)	719,441	1,637,233	(204,447)
Capital gain distributions	-	-	-	(27,731)	(820,483)
Adjusted revenues	3,431,662	1,153,227	4,201,794	3,207,222	9,208,169
Total expenses	(2,495,022)	(2,407,094)	(2,881,958)	(2,946,429)	(3,578,816)
Change in net assets, net of market effect	\$ 936,640	\$ (1,253,867)	\$ 1,319,836	\$ 260,793	\$ 5,629,353

The schedule is presented to provide supplemental information relating to the change of net assets, net of market effect. Market effects include changes in unrealized losses (gains), realized losses (gains) and capital gain distributions.

See independent accountant's report on supplementary information.

COMMUNITY FOUNDATION OF GREATER JACKSON, INC.

Schedules of Contribution Income

March 31, 2012, 2011, 2010, 2009 and 2008

	2012	2011	2010	2009	2008
Contributions	\$ 2,901,901	\$ 757,249	\$ 3,858,462	\$ 2,489,247	\$ 8,702,804
Less nonrecurring contributions	(1,000,000)	-	(3,114,118)	-	(5,978,945)
Adjusted contributions	<u>\$ 1,901,901</u>	<u>\$ 757,249</u>	<u>\$ 744,344</u>	<u>\$ 2,489,247</u>	<u>\$ 2,723,859</u>

The schedule represents a five-year comparison of contributions net of nonrecurring contributions. Nonrecurring contributions are defined as significant, one-time contributions.

See independent accountant's report on supplementary information.